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Terminology in the pensions field

A translation-oriented
terminological study of Finnish
and UK pension terms

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This study provides a theoretical approach to the transfer of Finnish pension terms into English and the establishment of equivalence between Finnish and UK pension terms in a translation situation. It thus serves as a complement to the pension terminology workshops held under the auspices of my former employer the Central Pension Security Institute during the years 1997 - 1998. It is with great pleasure I acknowledge the crucial role played by both my former employer and my former colleagues in making this study possible. I especially want to thank my former superior, Dr. Pirkko Jääskeläinen, for showing an interest in my work and encouraging me to take on new responsibilities.

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Eija Puttonen

YHTEENVETO

Tutkielmassa on tarkasteltu suomen- ja englanninkielisten eläketermien vastaavuutta. Tarkoituksena on ollut sekä itse Suomen ja Ison-Britannian kokonaiseläkejärjestelmiä että niihin liittyviä käsitteitä ja käsitejärjestelmiä vertaamalla löytää Ison-Britannian eläkejärjestelmiä kuvaavista termeistä englanninkieliset vastineet Suomen työeläkejärjestelmän termeille. Tutkimus on rajattu eläkejärjestelmiä, eläkkeen laskentaa ja eläkkeen edellytyksiä koskeviin säännöksiin. Termien aineistona on käytetty kummankin maan eläkealan lainsäädäntöä, sanakirjoja, käsikirjoja ja esitteitä sekä alan asiantuntijoiden julkaisuja.

Työssä on sovellettu yleistä terminologian teoriaa ja siihen perustuvia sanastotyön menetelmiä. Siinä on myös käytetty Peter Sandrinin väitöskirjassaan esittämää vertailevan oikeustieteen periaatteisiin pohjautuvaa menetelmää. Sandrinin menetelmän mukaisesti on ensin yksilöity kuhunkin säännökseen kuuluvat termit ja käsitteet. Yksilöidyt käsitteet on perinteisen sanastotyön menetelmiä soveltaen analysoitu olennaisten käsitepiirteiden selvittämiseksi. Käsitepiirteiden perusteella on käsitteistä muodostettu käsitejärjestelmiä, joista kukin vastaa yhtä säännöstä.

Viitekehyksenä on käytetty eläkejärjestelmien vertailuun Sveitsissä kehitettyä ja myös EU:ssa käyttöön otettua kolmen pilarin mallia, jossa eläkejärjestelmät jaetaan lakisääteisiin eläkejärjestelmiin, lisäeläkejärjestelmiin ja vapaaehtoiisiin eläkejärjestelmiin.

Suomessa työeläketurva rakentuu pääasiassa lakisääteisen eläkejärjestelmän varaan, kun taas Ison-Britannian ansiosidonnainen eläketurva perustuu sekä lakisääteiseen eläkejärjestelmään (*state retirement pension scheme*) että lisäeläkejärjestelmään (*occupational pension scheme*). Koska Ison-Britannian lakisääteisen eläkejärjestelmän ja lisäeläkejärjestelmän säännökset eroavat toisistaan, on tutkielmassa kummankin järjestelmän säännöksistä laadittu käsitejärjestelmät, joita on vertailtu Suomen työeläkejärjestelmän vastaaviin säännöksiin.

Tutkimuksen tulokset osoittavat, että huomattavista rakenteellisista eroistaan huolimatta tarkastellut Suomen ja Ison-Britannian eläkejärjestelmät ovat riittävän yhteneväisiä, jotta Ison-Britannian eläkejärjestelmän termejä voidaan käyttää Suomen työeläkealan termien vastineina. Tutkielmassa on käsitteittäin johdettu käännösvastineet soveltaen täydellistä, osittaista tai funktionaalista ekvivalenssia. Funktionaalista ekvivalenssia

on jouduttu soveltamaan, koska maiden eläketurvan mallit eroavat täysin toisistaan eivätkä termit olennaisilta käsitepiirteiltään aina vastaa toisiaan, koska suomenkielinen termi voi liittyä lakisääteiseen eläkejärjestelmään englanninkielisen termin kuullessa lisäeläkejärjestelmän piiriin. Jos käsitettä kohdekielessä ei ole eikä käännösvastinetta näin ollen ole löytynyt, on tutkielmassa luotu käännösvastine lähdekielen käsitteen olennaisten käsitepiirteiden perusteella kohdekielen termielementeistä.

Avainsanat: terminologia, sanastotyö, kulttuurisidonnaisuus, funktionaalinen ekvivalenssi, eläkkeet

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1 INTRODUCTION

The pension schemes of individual countries show considerable variation, which is attributable to both cultural and historical reasons. The differences in the structure and build-up of the schemes are reflected in the concepts and terms pertaining to the schemes. In a national context, we are, as a rule, only concerned with the structure of the national scheme and merely need to be familiar with the national terminology. However, as soon as we engage in international co-operation we are faced with the problem of compatibility of terms and concepts. The reliability of international pension statistics and comparisons of pension expenditure and financing are crucially dependent on the mutual understanding of the terms used in the statistics and comparisons. The provision of accurate and adequate terms for such statistics and comparisons is the responsibility of national pension organisations.

Within the pensions field, the international reporting language is English. This means that non-English-speaking countries, such as Finland, have to rely on translations for their communication with foreign organisations. The transfer of culture-bound information is always problematic as social or human institutions are bound to differ from each other in many respects. Therefore, the terms referring to different institutions are, at best, only partially equivalent (cf. e.g. Zgusta (1971: 294), and explanatory translations frequently have to be resorted to for the purpose of conveying the meaning of a term. Considering that usage of correct and understandable terminology is crucial for the success of communication, it is all the more important for non-English-speaking organisations to be consistent and careful in their choice of English-language equivalents to their national terms. What makes this even more difficult is that the terminologies used in, for instance, the United Kingdom and the United States differ from each other, as do their schemes, which is why there is a risk of confusion even within the English-speaking community (ap Roberts 1993: 52).

Studies discussing the problems related to the mutual understanding of pension terms and concepts have been undertaken by subject field specialists both abroad and in Finland. In her article titled *Complementary retirement pensions: Towards a definition of terms*, ap Roberts (51ff) compares the supplementary pension schemes of the United States, Ireland,

the United Kingdom, France and Germany and draws attention to certain key terms and concepts which are easily confused. She underlines the difficulties involved in making comparisons of pension schemes when there is no established harmonised pension terminology for all the countries, and takes up some key pension terms in the English language the definitions of which vary across countries and between schemes, including *occupational, supplementary, private* and *public*.

In Finland, Niemelä and Salminen (1995) have explored the differences between the old age pension schemes of different countries. They discuss the major reasons underlying these differences in their report *How to define a pension scheme*. According to their findings, pension schemes mainly differ in respect of the provisions governing basis of the right to pension, determination of benefits, function of the scheme, method of financing, and the administrative model used. Consequently, these are the very areas in which the demand for terminological exactness and the risk of misunderstanding is the greatest. The authors call for clarification and specification of the terminology of pension schemes in order to avoid misunderstandings.

With the international co-operation in the pensions field getting increasingly common especially as a result of Finland's entry into the European Union (EU), there is a pressing need for systematic creation of an English-language terminology for descriptions of the Finnish statutory earnings-related pension scheme. The English terminology used in the field is not standardised, and confusion and misunderstandings arise when different terms are used for the same concept.

In an attempt to introduce common English-language terminology for the culture-specific concepts representing the Finnish statutory earnings-related pension scheme, a series of pension terminology workshops were arranged under the auspices of the central organisation of the Finnish statutory earnings-related pension scheme, the Central Pension Security Institute (Laitinen-Kuikka & Puttonen 1998). The terminology workshops were successful in that considerable agreement could be reached on the introduction of new English-language equivalents to some key culture-specific terms of the scheme, including *statutory earnings-related pension* for *työeläke* (formerly *employment pension*) and *company pension fund* for *eläkesäätiö* (formerly *pension foundation*). The new English-language equivalents were sanctioned by the management of the Central Pension Security Institute. They thus gained the recognition of the central organisation of the scheme, which can be regarded as the norm authority in the case of earnings-related pensions, although the responsibility for

drafting and introducing pension legislation rests with the Finnish Ministry of Social Affairs and Health.

In this thesis, I will discuss terminology work in culture-specific subject fields as distinct from terminology work in strictly technical fields of knowledge. The focus will be on the establishment of equivalence between Finnish (source language, SL) and UK (target culture, TL) pension terms and on the criteria to be applied in this process. My approach is necessarily monodirectional and applies to the transfer of Finnish pension terms into English. Partly different considerations apply to the establishment of equivalence between UK (SL) and Finnish (TL) pension terms, which falls outside the scope of the present study. I will also address the relevance of the term formation strategy for the success of terminology transfer and, therewith, the success of communication.

The purpose of my study is to compile a Finnish-English terminology applicable to Finnish statutory earnings-related pensions, including definitions and contexts to indicate the degree of equivalence between the terms proposed as translation equivalents, and to demonstrate the necessity of accounting for contextual criteria in the choice of translation equivalent. My approach is in line with the method of descriptive terminology work advocated by Sandrini (1996: 206f), thus acknowledging that in the transfer of culture-specific terms the final choice of equivalent often needs to be left with the translator.

Despite the structural differences between the pension schemes of Finland and the United Kingdom, the pension scheme of the United Kingdom was chosen as a basis for the comparison mainly because of the advantages in working with genuinely English terminology, and not with translations. Furthermore, the United Kingdom was preferred to the United States, for instance, because the United Kingdom is a member state of the EU. In keeping with the recommendation that comparisons made for the purposes of establishing equivalence between terms representing different cultures shall be limited to two countries (Sandrini, p. 204), my study thus focuses on the pension systems of Finland and the United Kingdom. However, my broad frame of reference is the EU and the three-pillar model used for comparison of the pension schemes of different countries. For a discussion of the three-pillar model, see p. 31.

Notwithstanding the structural differences, my working hypothesis is that there is an adequate degree of equivalence between the concepts and terms to render them compatible within a certain context. I will test this hypothesis by building up concept systems for both schemes, and by

contrasting both the pension systems themselves, the concept systems representing them and, finally, the individual concepts.

My study is based on the terms and concepts pertaining to the Finnish statutory earnings-related pension scheme and discussed in the series of English pension workshops mentioned above. The terms and concepts covered by this study relate to the provisions governing scheme design, conditions of eligibility, and calculation of pensions. The material stems from legislation, handbooks and glossaries as well as from specialist magazines and discussion papers. The aim has been not to restrict the study to terms included in pensions legislation but to also record terms that have emerged as a result of the practical application of the law.

The Finnish material used include the publication *Työeläkelain-säädäntö 1998* encompassing the current legislation governing earnings-related pensions, the handbook *Suomen yksityisen sektorin työeläkejärjestelmä*, which gives an overview of the earnings-related pension scheme, the handbook *Eläkepolitiikka 2000-luvulle* with contributions from influential persons within the pension scheme, and the dictionary *Vakuutussanasto*. The UK terms have been extracted from the handbooks *Law of Social Security, A Guide to the Pensions Act 1995*, which includes the wording of the Act, and the *Pension Fund Trustee Handbook*, and from leaflets intended for customers of the pension scheme. Furthermore, glossaries, specialist magazines and discussion papers have been consulted.

2 METHODOLOGY OF TERMINOLOGY WORK

2.1 Theoretical premises

The principles and methods of terminology work are based on the general theory of terminology introduced by the Austrian doctor of science Eugen Wüster in the 1930s. Wüster laid the groundwork for the scientific research of technical terminology in his doctoral dissertation *Internationale Sprachnormung in der Technik, besonders in der Elektrotechnik* (1931). With the aim of improving communication between subject field specialists, he designed a theory that included elements from various disciplines, including linguistics, logic and ontology. He succeeded in combining specialist knowledge and linguistic knowledge in the theory of terminology largely because of his dual competence in a special field and in linguistics (Picht & Draskau 1985: 28f).

Although the Wüsterian theory was designed for all special fields (Nuopponen 1994: 16), it has come to be associated with terminology work in strictly technical fields of knowledge, and it is still widely held that it can best be applied to terminology that refers to objects and processes that are largely identical independent of language (Chaffey 1986: 223). This means that it is not considered to be equally well suited to terminology that reflects cultural, social or economic institutions, circumstances or phenomena and is thus deeply rooted in the society in which it once originated. Chaffey (pp. 220ff) calls this terminology administrative terminology as distinct from technical terminology, and this is also the term used in the 1998 draft edition of the International Standard ISO DIS 704. Sandrini (137) uses a broader concept, i.e. culture-specific terminology (*kulturspezifisch*), which includes the concept of administrative terminology.

2.2 Principles and methods

As Picht and Draskau (p. 28f) point out, the principles and methods elaborated by Wüster were, largely on his own initiative, taken as a basis for the International Standards for terminology work produced within the framework of the International Organisation of Standardisation (ISO, cf. References). The International Standards issued by ISO are periodically revised to account for developments in the field of terminology, and the work that was commenced by Wüster is being continued within a number of specialised committees.

With the advances in computer engineering, the new discipline of terminology management has emerged, embodying both what could be called traditional terminology work and computer-assisted terminology work. The arrival of computers has actually revolutionised much of terminology work. There are now computer applications permitting term extraction from text corpora and others enabling documentation of terms into data bases for reuse. According to Wright (1998), repeatability and reproducibility are the key words of terminology management. Software providers are also working to develop integrated systems with a machine translation tool, a terminological data base and a term extraction tool all in one application.

2.2.1 *The concept as the basic element*

The governing principle of the Wüsterian theory of terminology is the idea of the concept as the basic element, or to quote Wüster himself, element of thought (*Denkelement*). The principle that terminology work starts from concepts, or meanings, and not from words, or terms, is the very essence of the theory of terminology. This is the main feature contrasting terminology and terminography with lexicology and lexicography. The other basic features distinguishing terminology from lexicology is the fact that terminology work focuses on the vocabulary itself, and not on points of grammar, such as inflexion and punctuation, and that it is synchronic in that it concentrates on current systems of concepts. Wüster lays down these specific features in the collection of lectures edited by Helmuth

Felber and published posthumously under the title *Einführung in die Allgemeine Terminologielehre und Terminologische Lexikographie* (1985).

2.2.2 Terminological analysis

Terminological analysis is a process involving the identification and study of objects, also known as referents, concepts, definitions and designations, primarily terms. These constituents of terminological analysis are defined in the International Standard for the principles and methods of terminology work, ISO 704. Thus, an object is defined as anything perceived or conceived, whether concrete, abstract or imagined, whereas a concept is referred to as “the mental representation of an object within a specialised context or field” (ISO DIS 704). Concepts are independent of language. In communication, the meaning of a concept is conveyed by the definition, which provides the link to the designation (term) (Sager 1990: 39).

The following triangle (Figure 1.1) by Ogden and Richards illustrates the relationships between objects, concepts and terms (Sanastotyön käsikirja: 24). As shown, there is no direct connection between the object and the term but the association between them is created through the concept.

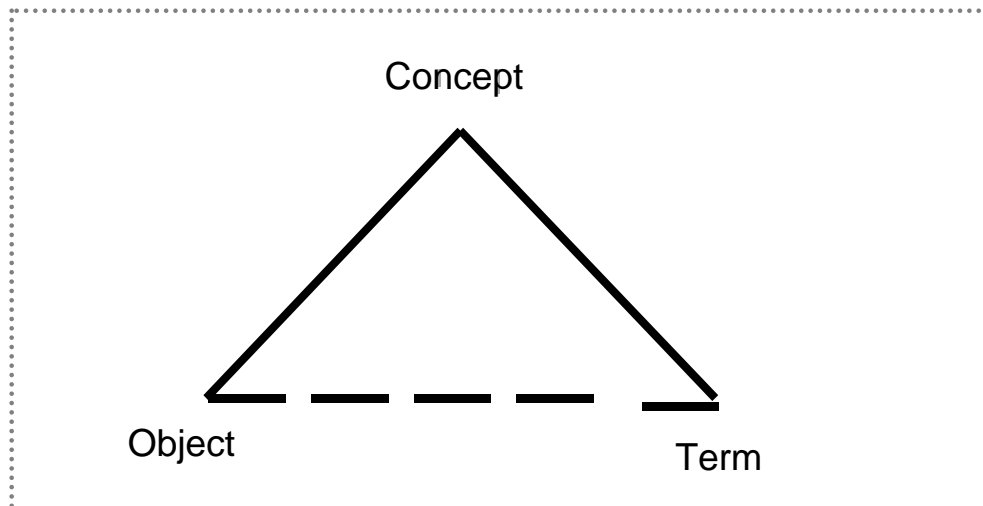


Figure 1.1. The relationships between objects, concepts and terms (Sanastotyön käsikirja: 24)

The purpose of this triangle is to provide some orientation into the theory of terminology. It gives, however, a simplified view of the relationships between the constituents and implies that they are static rather than dynamic. In reality, both the relations between individual objects and those between concepts and terms are bound to change with time (Wright 1998). This phenomenon could be seen as adding a diachronic dimension to terminology work, which needs to be considered, for instance, when terminology is updated.

2.2.2.1 Role of contexts

Terminological analysis always takes place within a specific subject field. In the first step of the process, the concepts relevant to the field are discovered and identified and individual concepts are distinguished and delimited from each other on the basis of their characteristics. In the following steps, definitions are formulated and concept systems designed on the basis of conceptual relationships and specific ordering criteria. Finally, designations, primarily terms, are assigned to the concepts (Sannastöyön käsikirja: 24ff). This process is standardised. The International Organisation for Standardisation (ISO, cf. References) periodically issues international standards for terminology work.

In terminological analysis, the context plays a crucial role, because it both reveals whether a specific term is used in the field concerned and provides collocational material (Dubuc & Lauriston 1997: 80ff). From this follows that the contexts used in terminology work shall be the result of careful selection, and efforts shall be taken to ensure that the context is representative of the subject field concerned (Wright 1998).

The interdependence between objects, concepts, definitions, terms and contexts can be summed up in the following words:

We assign terms to concepts that relate to objects. In order to translate a term you need to know the object that it refers to, you need to know the situationality. The only familiarity with terms are the contexts in which they occur. The only way of knowing whether the definition is correct is the context in which we find the term. The contexts are primarily responsible for letting us know what words really mean. In the real world subject fields overlap. Contexts are there to show us collocational material. (Wright 1998)

2.2.2.2 Concept formation

Terminological analysis starts with concepts. As argued by Picht and Draskau (p. 39f), the characteristics are the key to the concept. Similarly, ISO DIS 704 (1998) establishes that “a concept is made up of a set of characteristics formed from the properties of an object through a process of abstraction called conceptualisation“. This set of characteristics is referred to as the intension of the concept, as opposed to the extension, which represents all the objects to which the concept corresponds (ISO DIS 1087-1 1998: 7).

The characteristics, more specifically those characteristics which are essential for understanding the concept, i.e. the essential characteristics, thus play a key role in terminology work. In addition to determining the intension of the concept, they are also taken as a basis for modelling concept systems and formulating definitions. Furthermore, the characteristics of the concept constitute an integral part in term formation and in establishing equivalence between the terms of different languages (Picht & Draskau, p. 39f).

2.2.2.3 Systems of concepts

In terminological analysis, individual subject fields are portrayed as systems of concepts modelled on selected conceptual relationships. The aim is to promote understanding of the concepts and to improve communication in the subject field (Sager 1990: 29). Nuopponen (1994: 236) defines a concept system as a “system of related concepts which forms a coherent whole“. She points out that the connection between the concepts may be logical, or it may depend on freer associations between the concepts. Thus, different types of concept systems can be elaborated depending on the nature of the conceptual relationship.

Both Sager (1990: 29) and Nuopponen (1994: 236ff) argue that subject fields may be presented in various ways depending on the purpose of concept classification and on the approach or point of view adopted in the representation of the subject field. Nuopponen (1994: 238f) also notes that there is, so far, no uniform terminology for classification of concept relations and concept systems. For instance, in the classification applied in the International Standard, concept systems are divided into hierarchical and associative relationships, with the former being further

divided into genus-species or generic relationships and partitive relationships. (ISO DIS 704 1998: 12).

Wüster (1985: 8), in turn, distinguishes between logical and ontological relations (*logische und ontologische Beziehungen*). He further divides ontological relations into relations of contiguity, on the one hand, and relations of influence, on the other hand (Nuopponen 1992: 225). In her doctoral thesis *Begreppssystem för terminologisk analys*, Nuopponen (1994: 240) further develops the classification of Wüster and divides relations of influence into causal concept relations, developmental concept relations, functional concept relations and interactional concept relations.

According to the International Standard ISO 704, the conceptual relationship is generic when the subordinate concept includes all the essential characteristics of the superordinate concept plus at least one additional delimiting characteristic. The relation between the generic concept *eläke* 'pension' and the specific concept *työkyvyttömyyseläke* 'disability pension' is an example of a generic conceptual relationship. In a partitive conceptual relationship, in turn, the superordinate concept represents a whole of which the subordinate concept is a part. Thus, the relationship between the comprehensive concept *kansaneläke* 'national pension' and the specific concepts *perusosa* 'basic amount' and *lisäosa* 'basic amount addition' illustrates a characteristically partitive concept system.

In an associative concept system as defined by the International Standard ISO 704, there is some kind of a relation of dependence between the concepts. The standard does not define the nature of the association precisely. In practice, it would seem that the term associative concept system is used to designate all non-hierarchical concept systems. Thus, the relation between the terms *pension* and *pension provider* is associative, as is the relation between the terms *pension provider* and *pension financing*.

Because of the complexity of subject fields, most concept systems are mixed, i.e. they represent a combination of hierarchical and associative relationships. This is especially true of the concept systems representing legal systems or portraying a production process or activity (Sanastotyön käsikirja: 31). For example, the concept system representing the pension scheme will necessarily be mixed, with schemes forming a hierarchical concept system and the connections to pension providers and conditions of eligibility taking the form of associative concept systems. In the terminology used by Nuopponen (1994: 241f), these particular associative concept systems are referred to as concept systems based on

relationships of influence, more specifically functional concept relationships.

In this study, I will use the terminology of the International Standard in so far as the concept relations are represented by hierarchical concept systems and the terminology of Nuopponen where more complex structures based on concept relationships of influence, more specifically functional concept relations, need to be designed to portray the subject field.

2.2.2.4 Formulating definitions

Sager (1990: 39) defines a definition as “a linguistic description of a concept, based on the listing of a number of characteristics, which conveys the meaning of the concept”. He makes a distinction between a general and a specialised definition and characterises the latter as a definition of the concept within a special subject field.

According to ISO DIS 704 1998, a definition shall be concise and exact and clear enough to be understood on its own, in isolation from the concept system to which it relates. Generally, the preferred definition is an intensional definition, which includes at least the broader or superordinate concept and the characteristics distinguishing the concept from other related concepts. An alternative is an extensional definition, i.e. a list of subordinate concepts, which will suffice for highly specialised documents (ISO DIS 704 1998: 23). Accordingly, the extensional definition of the term *eläkelaitos* ‘authorised pension provider’ would be “vakuutusyhtiö, eläkekassa tai eläkesäätiö”, i.e. “insurance company or pension fund”.

In addition to these established categories of definitions, Sandrini (87) introduces a third category of definition applicable within law: the functional definition of a concept, which includes both the intension of the concept and the legal consequences inherent in it. The functional definition serves to identify the function of the concept within the legal system.

2.2.2.5 Term formation

The formation of terms is the final step in the process of terminological analysis. Certain criteria designed to make the language of the subject field more accessible apply to the formation of terms. According to Wright (1998), a term must be well motivated and transparent and comply with

linguistic conventions, which means that a term should be self-explanatory and give a clear picture of the underlying concept, even out of context.

What constitutes a term differs from language to language as the principles of term formation vary between linguistic communities. Therefore, a single word in one language may have as its equivalent a compound word or even a phrase or string of phrases in another language. For instance, in English phrases are the rule, whereas in Finnish, as in German, compound words are more frequent. To illustrate this I will take some examples from pensions terminology. The English-language equivalent to the Finnish term *työkyvyttömyyseläke* is *disability pension*, whereas the German equivalent is *Invalidenrente*. Similarly, the terms representing the concept of an earnings-related pension in these linguistic communities are *työeläke*, *state earnings-related pension* and *Beschäftigtenrente*, respectively.

Accordingly, a term can be very long, provided that it occurs in language and represents a single concept. In legal language, especially, whole chunks of text may have the status of a term (Wright 1998). Admittedly, long terms are sometimes confused with definitions.

For example, in pension law, the natural English-language equivalent of the Finnish sentence *Eläkkeeseen liittyy tuleva aika* is the sentence 'The pension is projected to retirement age', whereas the Finnish phrase *tulevan ajan sisältävä* can be rendered in English by one single word 'projected'. Thus, the most natural English translation of the sentence *Hänellä voi olla oikeus tulevan ajan sisältävään eläkkeeseen* is 'He may be entitled to a projected pension'. (For a more detailed discussion of the translation of the term *tuleva aika*, cf. 9.3.1 below).

The incidence of long terms is likely to be higher in culture-specific fields of knowledge as culture-specific terminology reflects underlying ideologies, policies, systems and values that are complex and have partly evolved as a result of specific policy decisions. The understanding of the underlying processes is crucial for the transfer of these ideas into another language. Consequently, in rendering culture-specific terms in another language, long definition-like translation equivalents often need to be constructed. This can be illustrated by the following example from Finnish pension law: the equivalent of the term *työeläkelaitos* is 'pension institution authorised to operate a statutory earnings-related pension scheme'.

The above example illustrates a term formation strategy often resorted to in the transfer of culture-specific terms, i.e. explanatory translation (*explikative Übersetzung*, cf. Sandrini 1996: 142). Thus, whereas technical terms are formed according to much the same standardised term

formation criteria, culture-specific terms are not always transparent and well motivated enough to allow for loan translation. In the case of opaque culture-specific terms, the individual word elements making up the term are usually not enough for conveying the meaning of the term, and the meaning may even be independent of the elements. In the case of non-transparent terms, it is hardly possible to understand the term and interpret it correctly without knowing the underlying culture and systems, without knowing the extralinguistic background. As argued by Arnzt and Picht (p. 144), opaque terms should therefore never be calqued. They would end up meaning either equally little in the target culture or too much in that they might give the wrong associations and be confused with target-culture terms. Indeed, this term formation strategy is useful only for speakers of the source language who can recognise their own terms by doing back translation.

Sager (1990: 27f) points to the problems caused by the existence of several term formation strategies. He finds that this is likely to lead to several alternative terms for one concept and, therewith, result in instability of terminology. Transferred terminology is especially susceptible to this kind of instability. This implies that several competing terms may be used for the same concept before measures of standardisation are taken. Matters may become especially confusing when there is practically no standardisation at all, i.e. in the transfer of culture-specific terminology, which is likely to be one explanation for the various translation equivalents of culture-specific terms. Instability of terminology should, however, not be confused with the alternate use of translation equivalents depending on, *inter alia*, contextual criteria, which leads us to the question of synonymy and polysemy in special language.

2.2.2.5.1 Synonymy and polysemy in special language

Although monosemy is the ideal, i.e. one concept for one term and one term for one concept, cases of polysemy and synonymy also exist within special language (Carlson 1998).

The case of synonymy emphasises the importance of the context. It permits the alternate use of full forms and short forms of a term, depending on the context and the target group. Once the full form has been introduced in the text, the term can later be referred to using the short form. Furthermore, in a special language text intended for subject

field specialists, usage of the short form may be preferred over the long form to avoid redundancy (ibid).

Sager (p. 58 and p. 213f) holds that the theory of terminology today recognises that different communicative situations and different text types require different linguistic representations. This need for lexical and terminological variation in special language texts has given rise to synonymic expressions and context-conditioned variants, which are generated according to specific rules and used in a confident way by subject field specialists. However, full synonyms (for an explanation of the term, cf. Sager 1990: 149) like *claim and apply for* in pensions terminology would not seem to be equally frequent in special language as are context-dependent variants.

Both full synonyms and context-dependent variants are generated through a process of abbreviation or concentration. In the English language, compound terms are usually abbreviated by omitting one term element, which may sometimes result in the narrower term coinciding with the broader term (Sager, pp. 58ff). This is permissible when the meaning of the term is clear from the context. However, Finnish terms are abbreviated using another method of contraction. For instance, the term *eläkkeen perusteena oleva aika* becomes *eläkeaika* in special language texts. In this particular case, the resulting short form is ambiguous and may be confused with the term *eläkkeelläoloaika*, the synonym of which it was as recently as 1987 (cf. section 8.1 below).

The alternate use of long and short forms is especially convenient in the transfer of culture-specific terminology as many of the translation equivalents are long and look more like definitions than like terms. For instance, in a text dealing with earnings-related pensions, the translation equivalent of the Finnish term *työeläkelaitos* discussed above, i.e. 'pension institution authorised to operate a statutory earnings-related pension scheme' can be replaced by the short form 'pension institution', or maybe 'authorised pension provider' or 'statutory pension provider', once the concept has been introduced in the text using the full form. Indeed, in my opinion, the preferable translation equivalent is 'authorised pension provider' (cf. section 9.3.1 below).

The existence of polysemy, in turn, can be seen as justifying the use of the same term for concepts with slightly differing intensions. In other words, a term existing in the target culture may be used as a translation equivalent to the source-culture term although the intensions of the source language (SL) and target language (TL) concepts are not completely identical. By definition, this is always the case in the transfer of cul-

ture-specific terminology (cf. Chaffey 1986: 220ff). So terms like *retirement pension* and *vanhuuseläke* can be used as each other's translation equivalents although the fine points of the intension, such as the qualifying criteria, are not identical. The additional information needed for correct interpretation of the term will be provided by the context in which the term is used. However, as argued by Newmark (1988: 76), caution should be exercised when matching terms in this way, in order not to imply target culture rather than source culture circumstances. The choice of term formation strategy will necessarily depend on the degree of correspondence between the terms.

3 TERMINOLOGY WORK IN CULTURE-SPECIFIC SUBJECT FIELDS

It has been claimed that the Wüsterian theory of terminology can best be applied to terminology work in strictly technical fields of knowledge and that it is not equally well suited to administrative terminology, that is to terms and concepts that reflect cultural, social or economic institutions or circumstances (Chaffey: 222). Budin (1998) argues that: “the more you move away from natural sciences towards social sciences the more difficult it [terminology work] gets. The more it [terminology work] gets into legal and social contexts, the more missing elements there are”. However, the latest revised draft edition of the International Standard for the principles and methods of terminology work (ISO DIS 704 1998) includes administrative fields of knowledge in the fields to which the standard is applicable. Nevertheless, there are certain additional considerations to observe when applying the theory to culture-specific terminology, especially in the case of interlingual terminology work and translation-oriented terminology work. Primarily, these criteria relate to establishment of equivalence, formulation of definitions and design of concept systems (Sandrini 1996: 170).

3.1 The concept of equivalence

First of all, and perhaps above all, there is the question of equivalence, i.e. “the relation between designations in different languages representing the same concept” (ISO DIS 1087-1 1998: 13). This is the prime concern of interlingual terminology work. However, whereas the concepts and terms of strictly technical terminology refer to specific objects or processes which largely are identical independent of language, inter alia, because of measures of standardisation and harmonisation, those of culture-bound terminology are, at best, only partially equivalent in the sense referred to

in the classification used by Picht and Draskau (p. 103f). Even when the terms appear to be equivalent, the underlying concepts may not be in that their intensions may differ. Whether or not such terms may be used as translation equivalents depends on the extent to which the underlying concepts differ from each other (Dubuc and Lauriston, pp. 80ff). Arnzt and Picht (142f) hold that the degree of conceptual correspondence is decisive for the establishment of equivalence between the terms of different languages. They distinguish between complete conceptual correspondence (*vollständige begriffliche Äquivalenz*), conceptual overlapping (*begriffliche Überschneidung*), inclusion (*Inklusion*) and absence of conceptual correspondence (*keine begriffliche Äquivalenz*).

What makes establishment of equivalence in some culture-specific subject fields even more difficult is, according to Sandrini (p. 71), the practice of modifying definitions to suit changing circumstances. This is especially true of legal terminology as the essential characteristics constituting a legal concept may change in the process of interpretation of law, thus resulting in a new, either broader or narrower, definition of the concept. This explains why standardisation of terminology may not be undertaken within law.

3.1.1 Partial equivalence

In his doctoral dissertation on terminology work in law (*Terminologiarbeit im Recht*), Sandrini (1996: 137ff) argues that equivalence in the sense of conceptual correspondence as defined by Arnzt and Picht (p. 142) is more difficult to achieve in culture-specific subject fields than in strictly technical subject fields. He therefore emphasises that the role of terminology work is somewhat different in culture-specific subject fields than in strictly technical fields. Because of the culture-bound differences between systems, the focus must be on identifying the differences between the concepts representing the systems and documenting them for the user, i.e. the translator. To Sandrini, matching concepts (*Gleichsetzung von Begriffen*) is the key to establishing equivalence. To this effect, he finds it necessary to establish what kind of relationship there exists between an SL and a TL term and to work out specific criteria for matching concepts across linguistic systems and between legal systems. According to him, the aim of terminology work in culture-specific subject fields is to provide the translator with information about the extralinguistic background together with

conceptual information about the terms. The final choice of term must rest with the translator and be based on textual and contextual criteria (Sandrini 1996: 136ff), such as function of the text, type of text and target audience.

Sandrini (ibid) concludes that the highest possible degree of equivalence between the concepts representing different legal systems is represented by a situation where the concepts have identical intensions but diverging extensions. In other words, the characteristics of the concepts are the same but the field of application is not. In his view, this is the closest two different legal systems based on different norms and legal practice can come to each other. Thus, he agrees with Chaffey (p. 220ff) that there can only be partial equivalence between the terms of the systems of different countries.

To illustrate this point, I will take an example from pension law. The Finnish term *varhaiseläke* and the UK term *early retirement pension* have more or less the same characteristics, which is indicated by the definitions of the two terms, i.e. “eläke, joka myönnetään ennen varsinaista eläkeikää” (pension awarded before the general retirement age) for *varhaiseläke* and “pension awarded before attainment of the normal pension age”

for *early retirement pension*. However, the number of pension benefits counted as early retirement pensions, i.e. the extension, is not the same in the Finnish and the UK pension systems. Thus, the application is different.

In contrast, there are also legal concepts which can be regarded as equivalent in terms of their function within the system but not in terms of their definition. Sandrini (141ff) argues that no absolute equivalence can be arrived at in this case, but that it is possible to establish an instance of functional equivalence between such terms. This is in line with the contention that the meaning of legal concepts always depends on their function. In other words, the individual concepts associated with a rule of law do not as such carry a meaning but their meaning emerges from their interaction with the associated concepts making up the regulation (Sandrini 1996: 63ff).

The approach to terminology work in culture-specific fields of knowledge advocated by Sandrini combines the research methods of comparative jurisprudence and terminology work. The “functional micro-level” analysis of the differences and similarities between legal systems (*funktionale Mikrovergleichung*) is based on a comparison of the rules and regulations governing legal issues, whereas terminology work focuses on the comparison of concepts and conceptual systems (Sandrini 1996:

180ff). In a combination of the two approaches, the individual concepts and circumstances that make up the rules and regulations are contrasted, not the rules and regulations themselves. Thus, the criterion for establishing equivalence between the concepts is not conceptual correspondence but correspondence of function. Determination of the function of concepts, of course, requires in-depth subject field knowledge of the two schemes compared, and therefore correspondence of function is, in my opinion, more difficult to establish conclusively than conceptual correspondence. Indeed, Sandrini (142) argues that it is difficult to draw the line between functional equivalence and absence of equivalence.

3.1.2 Absence of equivalence

Frequently, there is not even partial equivalence of terms but total absence of equivalence. In other words, the concept does not exist in the target language culture and, what is more, it cannot be introduced into it. The concepts are specific to each country and culture. This is where a translation equivalent needs to be constructed in the target language (cf. Newmark, p. 76). In the opinion of Sandrini (143), this is necessarily the translator's responsibility. The role of the terminologist is to provide him or her with all the linguistic and extralinguistic knowledge to enable him or her to make an informed choice first of strategy and then of translation equivalent. In this very respect, terminology work in culture-specific fields of knowledge, such as law and the social sciences, essentially differs from that of purely technical fields, where the rule is that terminology should not be translated (Galinski 1998). For a more detailed discussion of the approaches to translating culture-specific terms, see section 3.2.2 below.

3.2 Translating culture-specific terms

3.2.1 The concept of culture-specificity

The concept of culture-specificity has been touched upon several times in this paper. Both this and the concept of culture call for definition. The concept of culture is by no means a definite one but has been defined in different ways. Hans J. Vermeer, for instance, defines culture as:

the entire setting of norms and conventions an individual as a member of his society must know in order to be 'like everybody' - or to be able to be different from everybody (Nord 1997: 33)

and culture-specific phenomena as:

phenomena that are found to exist in a particular form or function in only one of the two cultures being compared (Nord, p. 34).

3.2.2 Approaches to transferring culture-specific information

A translator faced with the translation of culturally specific information basically has a choice of three approaches. He can choose to orientate the translation towards the target language community, the source language community, or both. When choosing the target language approach, he consciously "borrows" linguistic material from the target language, whereas in the source language approach he transfers the text more literally and more semantically (cf. Hjort-Pedersen 1994: 130). A dual orientation will require careful consideration from the translator in combining the two approaches. The approach chosen for any particular text will depend on the function of the text, the type of text, and the target audience or readership.

Arnzt and Picht (144f) suggest three (or actually four) different strategies for the transfer of culture-specific terms into another language, i.e. 1) loan translation or calque (*Entlehnung oder Lehnübersetzung*), 2) translation label (*Prägen einer Benennung in der Zielsprache*) and 3) explanatory translation (*Schaffung eines Erklärungsequivalents*). The strategy adopted is dependent on the text, the target audience and the *Skopos* (Sandrini 1996: 143). Arnzt and Picht (144), however, advise against calquing if the source-culture term is not a transparent and motivated term.

Likewise, in comparative jurisprudence there are three approaches to translating a term: 1) the SL term is not translated at all but imported into the TL as such to denote a foreign concept, 2) the original SL term is replaced by a brief explanation in the target language, a kind of definition

which includes the essential characteristics of the term and can be used as a term in the text, and 3) the SL term is translated into the TL culture by a transparent term that includes the essential characteristics of the SL term (Mattila 1998, my translation). Sandrini (134) finds these approaches to term formation applied within comparative jurisprudence to be a good starting point for terminology work in law.

4 PRACTICAL APPLICATION IN THE PENSIONS FIELD

4.1 Introduction

The pension worlds of individual countries differ largely because different countries have originally taken different paths in the design of their pension systems, and subsequent developments and improvements have been based on different social ideologies and, hence, made according to varying social security policies.

However, although countries, to some extent, model their schemes on those of other countries when reforming social policy, they still adapt new traits to suit their existing patterns (ap Roberts 1993: 53). The national designations therefore rarely portray similar realities (d'Herbis 1991: 11). Consequently, the concepts and terms representing the pension schemes of individual countries are deeply rooted in the society where they once originated. Therefore, there is no harmonised pension terminology applicable to the pension schemes of different countries (Niemelä & Salminen 1995: 11). Not even the English-language terminology is standardised but the meaning of terms like *private scheme* and *public scheme* depend on the context in which they occur (ap Roberts 1993: 53). Similarly, the meaning of the terms *supplementary pension* and *occupational pension* is not established, but the definitions are overlapping and currently in a state of flux (cf. section 8.4 below).

What was said at the beginning of this paper about term-concept relationships being dynamic is very true of the pensions field. Firstly, concepts are frequently redefined and new terms introduced in the process of redesign of pension benefits and reform of benefit structures in individual countries. Secondly, the EU regulations coordinating social security between the member states both introduce new concepts and terms and use old terms with new meanings. This means that terms that used to represent a specific concept under a national scheme have been assigned new meanings and given precise definitions for specific purposes within the EU. This is likely to cause confusion and will necessi-

tate co-operation to produce more exact definitions both nationally and internationally.

4.2 Approaches to retirement provision

In the European context, social scientists distinguish between three major approaches to retirement provision, i.e. the universal model, the corporatist model, and the libertarian model (cf. Laitinen-Kuikka 1998). The Nordic countries, including Finland, are said to represent the universal model the aim of which is to grant every resident an adequate minimum income, irrespective of gainful employment and family ties. In these countries, the right to a pension is considered to be a universal right (Niemelä & Salminen 1995: 13). The countries of Central and Southern Europe, in contrast, take a corporatist attitude to retirement provision. Under the corporatist model, entitlement to pension is closely related to gainful employment, on the one hand, and to the family, on the other hand. Thus, the right to a pension is conceived as an earned right or as a derived right. Finally, the United Kingdom has adopted the libertarian model, which is characterised by a system of very low levels of state benefits complemented through occupational and private pension schemes (Laitinen-Kuikka 1998).

4.3 Common frame of reference

To facilitate cross-country comparisons in the pensions field, the pension systems of individual countries are generally interpreted against a common frame of reference, the three-pillar or three-tier model, which was originally developed in Switzerland but is now widely used also in the EU. Sandrini (1980ff) calls such comparison of the overall systems of individual countries macro-level comparison (*Makrovergleichung*), as opposed to micro-level comparison (*Mikrovergleichung*), which refers to the comparison of rules and regulations applicable to a certain legal issue or case.

In the three-pillar model, pension schemes are divided into different categories according to definite characteristics. The first pillar stands for

statutory basic pension schemes which are considered part of social security. As a rule, these basic schemes have been enacted by law and they are generally administered by a government-run social security institution. Furthermore, they are frequently financed under the pay-as-you-go scheme, with the State often contributing part of the funding. In pensions terminology, the pensions awarded under such schemes are referred to as *statutory pensions*, *social security pensions*, *state pensions* or, in the United States, *public pensions* (Laitinen-Kuikka 1998). In terms of terminological analysis, the essential characteristics of the concepts representing pensions belonging in the first pillar are 1) statutory nature, 2) public administration, and 3) current income financing.

The second pillar comprises supplementary occupational pension schemes, either employer-based company schemes or industry-wide schemes, which may be mandatory or voluntary. The second-pillar schemes are based on collective bargaining agreements or have been implemented on the employer's initiative. Their financing is generally based on the funding method. Depending on the country concerned, the relevant pensions are referred to as *occupational pensions*, *supplementary pensions*, *complementary pensions* or, in the United States, *private pensions*. Consequently, the essential characteristics of the concept representing second-pillar-pensions constitute 1) non-statutory nature, 2) employment contract, and 3) funding.

Finally, the third pillar includes personal pension schemes, also referred to as *private pension schemes* or *individual retirement accounts*, which are characteristically voluntary in nature and based on private insurance contracts. The personal schemes are run by private providers and their financing is based on the funding method (ap Roberts 1993: 53).

The significance of each pillar for the provision of pension benefits depends on the pension policy adopted. In Finland retirement provision largely rests on pillar 1, whereas in the United Kingdom, in contrast, pillar 1 plays only a minor role in overall pension protection and most schemes come under pillars 2 and 3 (Laitinen-Kuikka 1998). This means that the different approaches of Finland and the United Kingdom to pension provision as discussed above translate into major structural differences between the Finnish and the UK pension systems. This would warrant a functional approach to the establishment of equivalence between the Finnish and UK pension terms (Sandrini 1996: 180f). Before going into greater detail about the criteria for establishing equivalence between Finnish and UK pension terms, I will give a brief overview of the pension systems of Finland and the United Kingdom.

For the purposes of the comparison, I will divide the pension schemes into statutory, employer-sponsored and personal pension schemes in line with the three-pillar model. The discussion of the Finnish pension system is mainly based on the booklet *The Finnish Statutory Earnings-Related Pension Scheme for the Private Sector* published by the central organisation of the Finnish statutory earnings-related pension scheme, the Central Pension Security Institute, and on the experience built up by myself in the service of the Institute, whereas the handbook *The Law of Social Security*, the booklet *A Guide to Retirement Pension* issued by the Benefits Agency and the papers *Pension Provision in Britain: Report on Supplementary Pension Provision in the United Kingdom* and *The Evolution of the British Pension System*, both by C.D. Daykin, UK Government Actuary, were used as the main sources for the description of the pension system of the United Kingdom.

5 COMPARISON OF THE FINNISH AND THE UK PENSION SYSTEMS

5.1 Overall structure of the Finnish pension system

The statutory pension system of Finland comprises the national pension scheme, which is administered by the Social Insurance Institution, and the statutory earnings-related pension schemes, which are administered separately in the private and in the public sector; the private-sector scheme is run by authorised pension insurance companies and pension funds, whereas the local government employees' pension scheme is operated by the Local Government Pensions Institution and the state employees' pension scheme by the State Treasury Office. The statutory schemes offer comprehensive coverage to employed and self-employed workers alike. For this reason, there is little room and need for complementary arrangements. Notwithstanding this, there are also supplementary pension schemes under which employers may provide benefits in excess of statutory benefits for their employees. Likewise, employees can, themselves, complement statutory pension provision through private pension insurance.

5.1.1. National pension scheme (pillar 1)

The *national pension* is residence based and calculated in proportion to the period of residence in Finland. When introduced in the 1950s, its purpose was to guarantee an adequate minimum pension for all citizens. It comprised a flat-rate basic amount, which was payable to all citizens, and a basic amount addition, which was proportional to the statutory earnings-related pension. In the pension reform of 1996, however, the national pension was reduced to a guarantee pension proportional to the statutory

earnings-related pension. The national pension now only becomes payable when the beneficiary has accrued no or a very low earnings-related pension.

5.1.2 Statutory earnings-related pension schemes (pillar 1)

The Finnish statutory earnings-related pension schemes cover all those who are gainfully employed. The aim of the *statutory earnings-related pension* is to ensure that the level of consumption attained during active working life is retained in retirement. The scheme for the private sector, which covers more than half of those insured for pension purposes, was introduced on 8 July 1962 through the passing of the Employees' Pensions Act, TEL. This is the basic act upon which the other acts on earnings-related pension are largely modelled. The scheme is operated by authorised pension providers, with the Central Pension Security Institute handling the functions that are common to the scheme. The statutory pension schemes for the public sector are governed by their own pension acts and run by their own institutions. Certain individual categories of employees, including farmers, seamen and short-term employees, also have their own pension acts and authorised pension providers. The following discussion is based on the rules governing retirement provision in the private sector.

Eligibility and determination of benefits

Statutory earnings-related pension accrues from all contracts of employment that are insured with a pension provider. Entitlement to pension is subject to no waiting or vesting periods. Under the current rules, the pension is calculated separately for each contract of employment on the basis of the period of service and the revalued average earnings in respect of the last 10 years of each employment. The pension is targeted at 60% of pensionable earnings, and the target-level pension generally accrues in 40 years, given that the basic annual accrual rate is 1.5%. However, an accelerated accrual rate of 2.5% applies to pension rights built up from the year in which the insured person reaches the age of 60. Correspondingly, lower accrual rates of 1.2% and 0.8% apply to the

disability pension rights that are projected, and not accrued in the strictest sense of the term.

Administration and financing

Employers and self-employed workers are responsible for taking out pension insurance with an authorised pension provider, that is, with the pension insurance company of their own choice or with a pension fund set up for the purpose. Both the employer and the employee contribute towards the pension. Their respective rates of contribution are fixed annually. The accrued pension is vested and preserved - also in the event of the insured person changing jobs - and both accrued pension rights and pension payments are annually revalued in line with a specific index that reflects the movement in both prices and wages. At the time of retirement, all the pension rights acquired by the insured person under the private-sector scheme are pooled, revalued in line with the index of the year of retirement, and paid out by the pension provider which the person was last insured with. The pension liabilities of the individual pension providers involved are settled through a clearing and settlement system operated by the Central Pension Security Institute.

The financing of the Finnish statutory earnings-related pension scheme for the private sector is based on an intermediate form of the pay-as-you-go method and the funding method. In other words, part of the contribution is used to cover the pension expenditure arising from the pensions in current payment, whereas part of the contribution is set aside in reserve funds and invested in the economy to meet future pension liabilities. Strict regulations apply to the investment of the pension assets of the statutory earnings-related pension scheme to ensure that the pension commitments made to the covered population can be met.

5.1.3 Supplementary pension schemes (pillar 2)

The employer may also take out supplementary pension insurance for his employees. The additional benefits involved for the employees generally include provision for early retirement or accelerated accrual. The supplementary pension may either be a registered pension or an unregistered pension. If registered with the Central Pension Security Institute, the sup-

plementary pension rights accrued are equally well protected as the statutory pension rights. Under a supplementary pension scheme, equal provisions must apply for women and men.

5.1.4 Personal pension schemes (pillar 3)

The employee may also supplement statutory pension provision by paying into a private pension insurance scheme in order to benefit from earlier retirement or a higher rate of accrual. The personal pension providers include insurance companies and banks. The contributions payable are currently tax deductible.

5.2 Overall structure of the UK pension system

In the United Kingdom, there is a compulsory state pension scheme that offers minimum subsistence, but the scheme is only of minor importance for retirement provision as it does not ensure an adequate pension in retirement. Consequently, approximately three-quarters of the employees are covered by complementary arrangements, including occupational employer sponsored schemes, industry-wide schemes and appropriate personal pension schemes. Local government employees and civil servants are covered by public service pension schemes.

5.2.1 State pension scheme (pillar 1)

The current state pension scheme of the United Kingdom is a universal contributory social security system. Originally, the scheme only consisted of one tier, the flat-rate *state basic pension*. The second earnings-related tier was introduced in the early 1960s, first in the form of a *graduated pension* and in 1975 in the form of the *additional pension* payable under the *state earnings-related pension scheme (SERPS)*. Currently in early 2000

a reform is underway in which replacement of the state earnings-related additional pension by a *state second pension (SSP)* is planned.

Eligibility and determination of benefits

Entitlement to both the basic pension and the earnings-related pension is conditional upon payment of National Insurance Contributions (NICs). To qualify for a full basic pension, which represents approximately 16% of average male earnings, the person must have made NICs or received credits for 90% of his working life. Credits are given for periods of unemployment, incapacity, the home care of children, and the like. The additional SERPS pension accrues on the contributions made by employers and employees on the earnings in the band between the Lower Earnings Limit (LEL), which is more or less equal to the State basic pension, and the Upper Earnings Limit (UEL), which is about 20% above male average earnings.

Until the year 2000, the target level of the earnings-related pension was 25% of the pensionable earnings in the relevant band, and the rate of accrual was 1.25%. However, as from the year 2000 the rate of accrual was reduced to 1% and the targeted pension to 20% of earnings. At the same time, the calculation formula was changed: the additional pension is now calculated on the revalued average earnings for the whole working career, and not for the best 20 years as before.

Both basic pensions and additional pensions are annually revalued in line with the Retail Price Index.

Administration and financing

The administration of the state pension scheme or social security scheme is in the hands of the Department of Social Security (DSS) and the scheme is financed on the basis of the pay-as-you-go method, with the contribution rates set so as to cover the projected outgo on pension expenditure and costs of administration. The rate of contribution currently represents around 10% for both employees and employers.

5.2.2 Occupational pension schemes (pillar 2)

Participation in SERPS is not mandatory and employers may contract out of the scheme, provided that they arrange adequate retirement provision for their employees through a funded occupational pension scheme. Membership of the occupational pension scheme is voluntary for the employee. However, employees and employers who contract out of SERPS receive a rebate on their NICs. Contracting out of SERPS is subject to approval by the Occupational Pensions Regulatory Authority (OPRA), which supervises the financial solidity of the contracted-out scheme and sees to it that the scheme fulfills the basic requirements concerning requisite benefits, accrual rates and equality of pension provision, i.e. ensures that it passes the Reference Scheme Test (RST). In other words, a contracted-out scheme must provide at least a pension equal in amount to the additional pension, i.e. a guaranteed minimum pension (GMT).

Eligibility and determination of benefits

Membership of the occupational pension scheme may be qualified in that the employer may apply waiting periods of 1 - 2 years for entry into the scheme and restrict membership to employees in a certain age bracket. The vesting period laid down by law is two years, i.e. the pension rights accrued to a scheme member are vested after two years of employment, generally also including the period prior to membership. The vested pension rights may be transferred when membership of the scheme is terminated, or they may be preserved in the scheme. However, if membership of the scheme terminates before the vesting period has been completed, no pension accrues from the employment and the contributions are refunded to the scheme member.

Occupational pension schemes may be either defined benefit or defined contribution schemes. If the scheme is operated as a defined benefit scheme, the maximum pension payable represents a certain percentage of the final salary calculated over a fixed period as laid down in the scheme rules. Generally, the occupational pension accrues at the rate of 1/60 per year for a maximum of 40 years, which means that the pension built up by the scheme member represents two-thirds of his final salary. In a defined benefit scheme, the pension is normally calculated on the

average earnings of the 3 - 5 final years of employment, subject to a pensionable earnings cap. In a defined contribution scheme, in contrast, the rate of contribution is defined in the scheme rules or by practice, and the pension payable will depend on investment performance and the costs of running the scheme.

Administration and financing

For the scheme to obtain approved status for tax purposes, certain conditions have to be met with regard to administration, minimum funding, and accrual rates. Accordingly, the administration of occupational pension schemes generally takes the form of an irrevocable trust, and the trustees of the scheme bear the responsibility for the assets of the scheme and the payment of pensions to the beneficiaries of the scheme. The practical operation of the scheme and the investment of scheme assets may be entrusted with a fund manager if the scheme is self-administered, or with an insurance company if the scheme is insured, but the trustees hold ultimate responsibility for the sound management of the affairs of the scheme. Strict minimum funding requirements apply to the investment of scheme assets.

5.2.3 Appropriate personal pension schemes (pillar 3)

The employee may also give up his rights to SERPS and pay into a personal pension scheme, provided that the personal scheme fulfills the requirements for contracting out of SERPS. Personal pension insurance may be taken out in a bank, insurance company or building society. The schemes operate on a defined contribution basis.

5.3 Differences and similarities between the pension systems

The above presentation confirms the major structural differences between the pension systems of Finland and the UK. It also explains why the Fin-

nish statutory earnings-related pension scheme is often confused with an occupational scheme in international comparisons. Firstly, the Finnish statutory earnings-related scheme and the UK occupational schemes provide the bulk of pension provision in their respective countries. Secondly, the Finnish statutory scheme and the UK occupational schemes share many characteristics, including rules of pensions accrual and calculation, preservation of benefits, funding, and investment of pension assets.

Despite the obvious structural differences, there are thus distinct similarities between the two systems with regard to individual regulations, provisions and principles. In the Finnish system, they are associated with the statutory scheme, whereas in the UK system most of them are inherent in the occupational schemes. This means that parallels can be drawn between the provisions and principles of the Finnish statutory pension scheme and those of the UK occupational pension schemes. Thus, a functional relationship can be established between the individual regulations in the sense discussed by Sandrini (p. 180f).

6 BASIS OF THE DESIGN OF THE CONCEPT SYSTEMS

The above discussion of pension schemes highlights their complex structure, which needs to be reflected in the systems of concepts representing them. For the purpose of constructing the systems of concepts I have identified the concepts relative to the conceptual fields of the two pension systems that are relevant for the purpose of this paper, i.e. for the establishment of English-language equivalents to the terms of the Finnish statutory earnings-related pension scheme covered by this study, and worked out their internal relationships. Given the complexity of the pensions field, the resulting conceptual systems are necessarily mixed, i.e. they are based on both hierarchical, generic as well as partitive, and functional concept relations (cf. 2.2.2.3 above).

However, instead of designing one large and complex conceptual system (cf. the notion of a macro system, Nuopponen 1994: 238), I decided to portray the pension systems using a number of complementary and mixed micro systems (*ibid*), which are combined to represent a larger totality. I believe this to be in the interest of the reader, who cannot be expected to be a subject field specialist and to comprehend the sophisticated design of the pension systems. This will also enable me to paint a more comprehensive picture of the schemes and, consequently, to establish more conclusively degrees of equivalence between individual concepts and terms.

This approach is also advocated by, for instance, Arnzt and Picht (p. 76f), who emphasise that individual systems of concepts should be user-friendly and that their design should be clear and unambiguous enough to render them accessible to non-specialists. Furthermore, my approach is in line with that of Sandrini (pp. 180ff) in that it enables the establishment of functional equivalence between Finnish and UK pension terms through the identification of corresponding regulations.

In keeping with the purpose of this study, the concept systems portraying the Finnish pension system (Figures 7.1 - 7.9) focus on the statutory earnings-related pension scheme. The concept systems illustrating the UK pension system (Figures 7.10 - 7.16), in contrast, aim to provide a comprehensive picture of both the state scheme and the

occupational schemes. Because of the differences in scheme structure between the UK and Finnish pension systems, I found it justified to design two concept systems for any regulation the particulars of which differ between the UK state pension scheme and the occupational pension schemes. In doing so, my aim was to cover all the concepts present in the concept system representing the corresponding regulation under the Finnish statutory earnings-related pension scheme. In my opinion, this approach is of particular relevance to the creation of equivalents to the Finnish pension terms.

The English equivalents used in the discussion of the systems of concepts illustrating the Finnish scheme represent either established English equivalents of the Finnish pension terms or suggested translation equivalents arrived at in the course of this study. Occasionally, ad hoc equivalents are used for the purpose of conveying the meaning of the Finnish terms. In the following section, the function of the equivalents is to contribute to the understanding of the Finnish terms; it does not provide a complete discussion of the choice of alternatives, nor does it argue for or against specific equivalents.

In the concept systems depicted below, each individual concept is represented by a numerical notation. A hierarchical, generic concept relation is represented by a dot, a partitive relationship by a hyphen and a functional relationship by an arrow. Capitalisation of the designation of a concept indicates that the designation does not occur as such in the terminology covered by the study.

7 ANALYSIS OF THE CONCEPT SYSTEMS

The concepts *työeläke* and *eläketurva* and *pension* and *pension scheme*, respectively, constitute the key concepts of the concept systems representing the Finnish and the UK pension systems in this study. The concept systems reflect scheme design, retirement provision, conditions of eligibility and calculation of pensions. Although the concepts *eläketurva* and *pension scheme* are only partly equivalent, they were, nevertheless, chosen as key concepts because of their respective high frequency in subject field texts.

Despite the different approaches to the provision of pension benefits, broadly the same classification criteria may, nevertheless, be used in the elaboration of the concept systems in so far as they are based on generic or partitive conceptual relations. As emphasised by Picht and Draskau (p. 48), this is essential for ensuring comparability of concept systems and individual concepts and, hence, for establishing translation equivalence between the terms of different languages. However, the functional relationships reflecting the mechanism underlying the provision of retirement benefits in the respective countries are essentially different, because the regulations governing the process of retirement provision differ between the two countries.

7.1 Concept systems representing the Finnish pension system

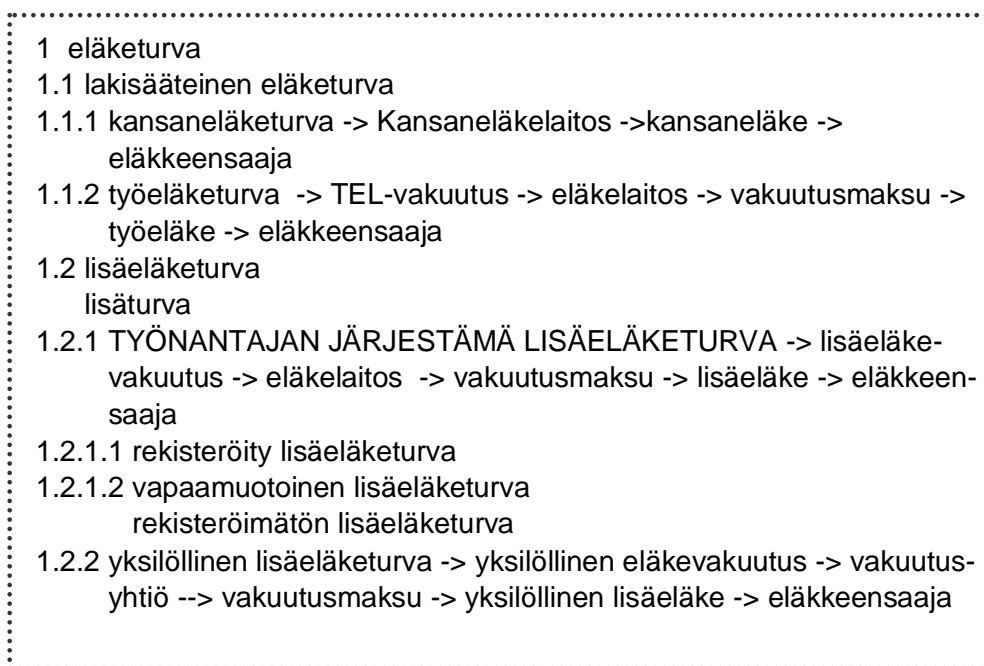


Figure 7.1. Concept system portraying the structure of the Finnish pension system and retirement provision under the Finnish pension system

In the concept system portraying the structure of the Finnish pension system (Figure 7.1), the generic concept *eläketurva* (1) 'retirement provision' has the specific concepts *lakisääteinen eläketurva* (1.1) 'statutory pension provision' and *lisäeläketurva* (1.2), or *lisäturva*, 'supplementary pension provision', distinguished by the delimiting characteristic indicating status of the pension, whether statutory or supplementary. The concept *lakisääteinen eläketurva* is further divided into *kansaneläketurva* (1.1.1) 'national pension provision' and *työeläketurva* (1.1.2) 'statutory earnings-related pension provision', differentiated by the basis of the right to pension, i.e. citizenship in the case of the national pension and gainful employment in the case of the statutory earnings-related pension. The concept *lisäeläketurva* is subdivided into the concepts *työnantajan järjestämä lisäeläketurva* (1.2.1) 'employer sponsored supplementary pen-

sion provision' and *yksilöllinen lisäeläketurva* (1.2.2) 'personal pension provision', using the same classification criteria, i.e. basis of the right to pension, which in the case of the former concept is employment contract and in the latter case private insurance contract. The concept *työnantajan järjestämä lisäeläketurva*, in turn, is subdivided into the concepts *rekisteröity lisäeläketurva* (1.2.1.1) 'registered supplementary pension provision' and *vapaaehtoinen lisäeläketurva* (1.2.1.2), also referred to as *rekisteröimätön lisäeläketurva*, 'unregistered supplementary pension provision' on the basis of the delimiting characteristic denoting registration/non-registration with the registrar, i.e. with the Central Pension Security Institute.

Further, the concept system also illustrates the relation of the concept *työeläketurva* (1.1.2) and associated concepts involved in the process of providing statutory earnings-related retirement benefits, i.e. *TEL-vakuutus* (1.1.2->1) 'pension insurance under TEL', *eläkelaitos* (1.1.2->2) 'authorised pension provider', *vakuutusmaksu* (1.1.2->3) 'contribution', *työeläke* (1.1.2->4) 'statutory earnings-related pension' and *eläkkeensaaja* (1.1.2->5) 'pensioner'. These concepts can be regarded as constituting a concept sequence reflecting a consequent relation or a chain of relations (Nuopponen 1992: 226). In the concept system depicted in Figure 7.1, the concepts representing provision of retirement benefits under the national scheme, the supplementary scheme and the personal scheme, respectively, are illustrated by corresponding chains of concepts. The concept relations between the individual concepts represent conceptual relations of influence, more specifically functional concept relations (cf. Nuopponen 1994: 204ff).

Each of the concepts in the chain has a specific function in the context of retirement provision: *TEL-vakuutus* (2->1) represents the insurance under which entitlement to pension arises, *eläkelaitos* (2->2) is the provider of pension insurance, *vakuutusmaksu* (2->3) constitutes the contribution payable for the insurance, *työeläke* (2->4) is the tangible result of the insurance and *eläkkeensaaja* (2->5) represents the final recipient of the pension. Therefore, the process can be portrayed as a functional concept system built around the primary concept *työeläketurva* (Figure 7.2).

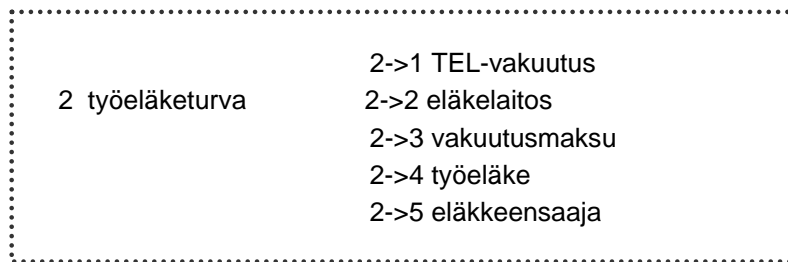


Figure 7.2. Functional concept system illustrating the process of retirement provision in Finland

In the consequential chain of concepts connecting the concepts *työeläketurva* and *eläkkeensaaja*, the concepts *eläkelaitos* and *vakuutusmaksu* are further divided into specific concepts. The generic concept *eläkelaitos* (3), also referred to as *työeläkelaitos*, is divided into the specific concepts *yksityisen sektorin eläkelaitos* (3.1) 'private-sector pension provider' and *julkisen sektorin eläkelaitos* (3.2) 'public-sector pension provider', distinguished by sector of the economy. The concept *yksityisen sektorin eläkelaitos* is further divided into the specific concepts *työeläkevakuutusyhtiö* (3.1.1) 'authorised pension insurance company', also referred to as *työeläkeyhtiö* and *eläkevakuutusyhtiö*, *eläkekassa* (3.1.2) 'industry-wide pension fund' and *eläkesäätiö* (3.1.3) 'company pension fund', differentiated by pension provider (Figure 7.3).



Figure 7.3. Hierarchical concept system built around the generic concept *eläkelaitos*

Furthermore, the comprehensive concept *vakuutusmaksu* (4), also referred to as *työeläkemaksu* in the context of pensions, is divided into the subordinate concepts *työnantajan eläkemaksu* (4-1) 'employer contribution' and *työntekijäin eläkemaksu* (4-2) 'employee contribution', also referred to as *palkansaajan eläkemaksu*, distinguished by contributor. Finally, a functional relationship exists between the concept *vakuutusmaksu* and the concept *vakuutusmaksuprosentti* 'contribution rate' (Figure 7.4).

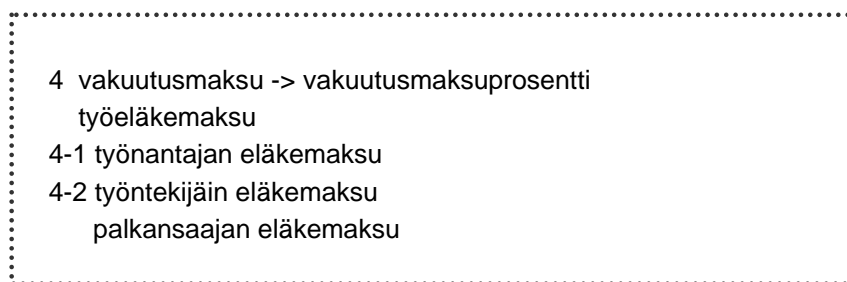


Figure 7.4. Mixed concept system built around the concept *vakuutusmaksu*

The conceptual chains also include concepts referring to the insurance for pension benefits. The individual concepts are coordinate concepts, with the concept *eläkevakuutus* 'pension insurance' as the superordinate concept. This gives us the following conceptual system (Figure 7.5).

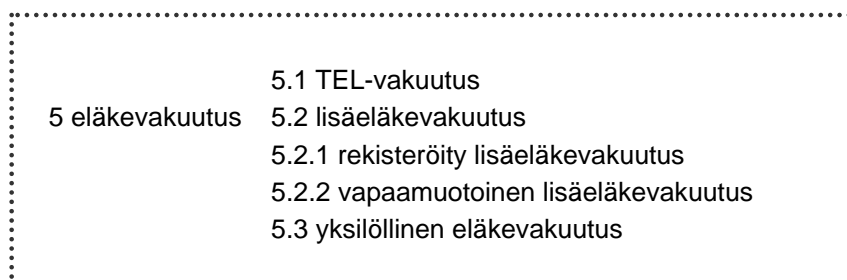


Figure 7.5. Hierarchical concept system portraying types of pension insurance

With *eläke* as the generic concept, the following system of concepts may be elaborated (Figure 7.6).

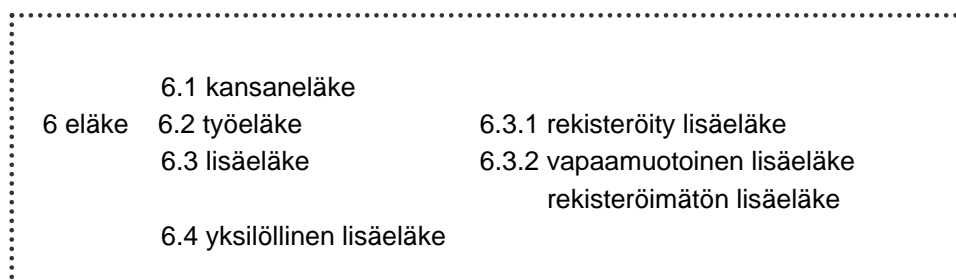


Figure 7.6. Hierarchical concept system representing pensions

Theoretically, the concept system portrayed in Figure 7.6 could also be designed as a partitive system but this would conflict with reality as it is becoming increasingly rare for Finnish pensioners to receive a pension that includes all the benefits listed above, especially as the numbers drawing both national and earnings-related pension are falling following the pension reform of 1996.

This concept system differs somewhat from that built around the generic concept *eläketurva*, because the concept *lisäeläke* 'supplementary pension' has an express definition under the Finnish earnings-related pension scheme, denoting a specific type of benefit, i.e. the employer sponsored pension that may be provided in addition to the statutory pension, whereas the concept *lisäeläketurva* 'supplementary pension provision' is understood to refer to any pension supplementing the statutory pension, the personal pension included. This concept system corresponds to the three-pillar model illustrating pension provision within the EU. Largely the same structure based on the same classification criteria is used for

designing a concept system around the concept *eläkejärjestelmä* (Figure 7.7), with the relationship between the concept *lisäeläkejärjestelmä* and the concepts *rekisteröity lisäeläke* and *vapamuotoinen lisäeläke* portrayed as a partitive conceptual relationship.

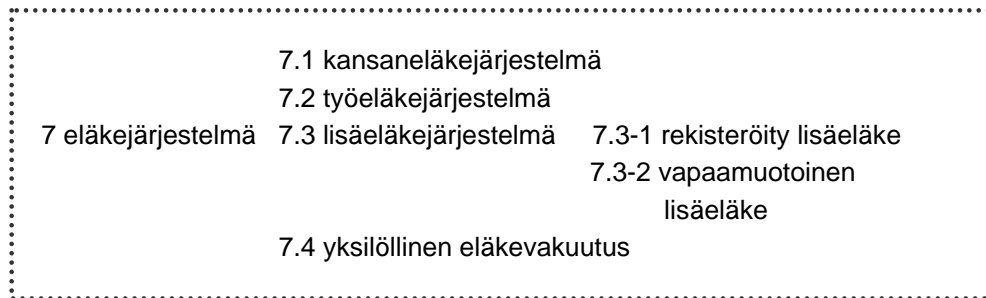


Figure 7.7. Hierarchical concept system portraying pension schemes

The concept systems portrayed in Figures 7.1, 7.6 and 7.7 reflect the shift in the definition of the concept *työeläke* that seems to have taken place during the last ten years or so. Previously, the generic concept *työeläke* was more clearly divided into the specific concepts *peruseläke* 'basic pension' and *lisäeläke* 'supplementary pension' on the basis of the delimiting character statutory/non-statutory pension. However, as a consequence of a shift in meaning, the concept *työeläke* is today increasingly used only to denote the statutory pension and does not, generally, include the supplementary pension. Notwithstanding this, because of diverging reporting practices, some - but not all - statistics on statutory earnings-related pensions may also include data on registered supplementary pensions. This shift in meaning may be associated with Finland's entry into the EU and the resulting influence of the division of pensions commonly applied in most other EU member states and encountered in the practical application of EU legislation. In my opinion, it certainly makes the scheme more compatible with those of other countries.

Calculation of pensions and conditions of eligibility

The concept systems representing calculation of pensions and conditions of eligibility are built on the corresponding regulations in pension legislation. The concepts therefore have a specific function within the regulation and interact to produce a specific process (Sandrini 1996: 107ff). Accordingly, the individual concepts may be interpreted as being part of a process, and the regulations may therefore be portrayed as partitive concept systems. However, if the focus is on the function of the individual concepts in the process rather than on their contribution to the totality of the regulation, functional concept systems built around the primary concepts *eläkelaskenta* 'calculation of pensions' and *eläkkeen edellytykset* 'eligibility' could also be designed in line with the method advocated by Nuopponen (1996: 204ff). In the present study, these concept systems are designed as partitive systems.

Calculation of pensions

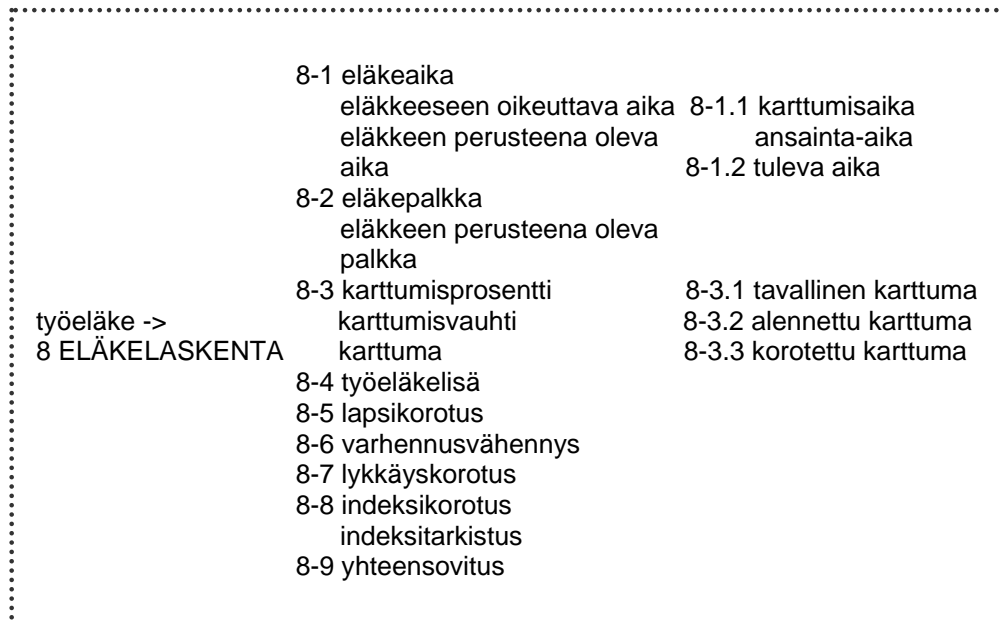


Figure 7.8. Mixed concept system illustrating calculation of pensions under the Finnish earnings-related pension scheme

In the system of concepts representing calculation of pensions (Figure 7.8), there is a functional relation between the concept *työeläke* and the concept *eläkelaskenta* (8) 'calculation of pension'. The comprehensive concept *eläkelaskenta* is subdivided into subordinate concepts representing the individual elements to be considered in the calculation. Accordingly, the relation between the comprehensive concept *eläkelaskenta* and the subordinate concepts *eläkeaika* (8-1) 'pensionable service', also referred to as *eläkkeeseen oikeuttava aika* and *eläkkeen perusteena oleva aika*, *eläkepalkka* (8-2) 'pensionable earnings', also referred to as *eläkkeen perusteena oleva palkka*, *karttumisprosentti* (8-3) 'accrual rate', also referred to as *karttumisvauhti* and *karttuma*, *työeläkelisä* (8-4) 'increment for credited periods', *lapsikorotus* (8-5) 'child increase', *varhennusvähennys* (8-6) 'abate for early retirement', *lykkäyskorotus* (8-7) 'increment for deferred retirement', *indeksikorotus* (8-8) 'revaluation', also referred to as *indeksitarkistus*, and *yhteensovitus* (8-9) 'integration' is partitive.

The generic concept *eläkeaika* further divides into the specific concepts *karttumisaika* (8-1.1) 'completed service' and *tuleva aika* (8-1.2) 'projected service', distinguished by whether the pensionable service is based solely on accrued rights, or on both accrued and projected pension rights. This concept relation could also be represented as a partitive relation as most early retirement benefits are projected to retirement age and include both accrued and projected benefit. Finally, the concept *karttumisprosentti* has three specific concepts in a hierarchical relationship, distinguished by the rate of accrual, i.e. *tavallinen karttuma* (8-3.1) 'basic accrual rate', *alennettu karttuma* (8-3.2) 'slower accrual' and *korotettu karttuma* (8-3.3) 'accelerated accrual'.

Eligibility

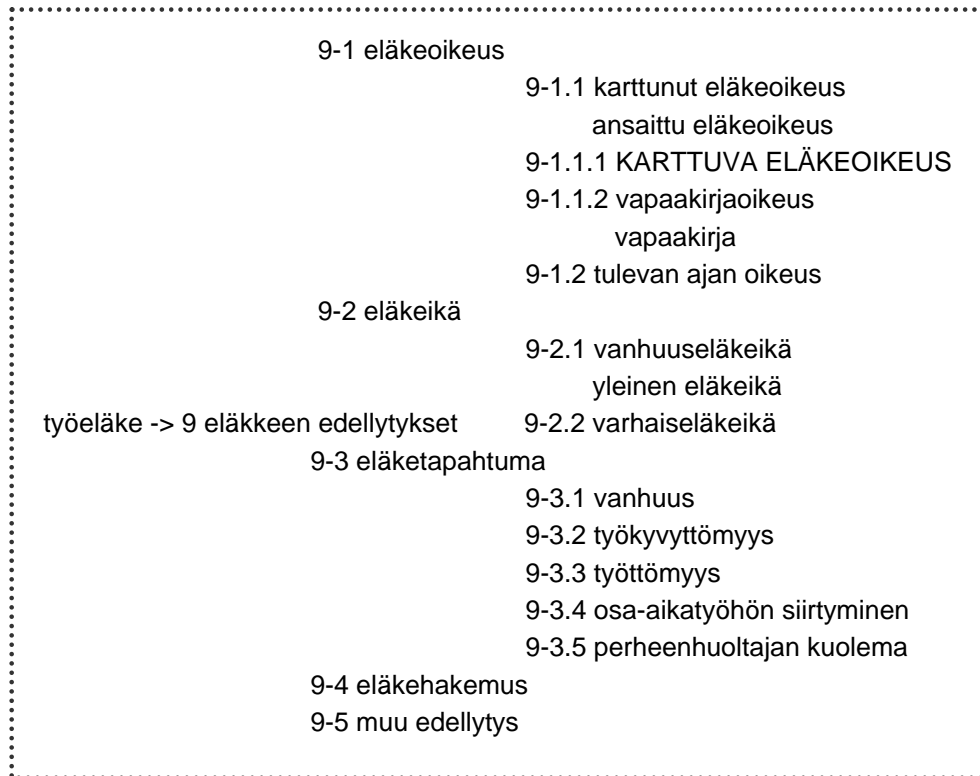


Figure 7.9. Mixed concept system illustrating eligibility under the Finnish earnings-related pension scheme

The concept system portraying eligibility (Figure 7.9) is a mixed concept system including both functional relations, generic relations and partitive relations. Thus, the relation between the concept *työeläke* and the concept *eläkkeen edellytykset* (9) 'conditions of eligibility' illustrates a functional relationship of influence, whereas the relation between the comprehensive concept *eläkkeen edellytykset* and the subordinate concepts representing individual eligibility conditions, including *eläkeoikeus* (9-1) 'pension rights', *eläkeikä* (9-2) 'pension age', *eläketapahtuma* (9-3) 'pension contingency', *eläkehakemus* (9-4) 'pension claim' and *muu edellytys* (9-5) 'any other condition' is partitive, since the individual conditions

represent the totality of conditions that need to be fulfilled for eligibility to pension.

The generic concept *eläkeoikeus* is subdivided into the specific concepts *karttunut eläkeoikeus* (9-1.1), also referred to as *ansaittu eläkeoikeus*, 'accrued pension rights' and *tulevan ajan oikeus* (9-1.2) 'projected pension rights', which form a hierarchical structure distinguished by the criterion indicating whether the pension rights have been accrued in the strictest sense of the word, or whether they have been projected in that the period between the occurrence of the insured event and the general retirement age has been counted towards the pension.

The concept *karttunut eläkeoikeus* is further divided into the concepts *karttuva eläkeoikeus* (9-1.1.1) 'pension rights accruing in respect of current service' and *vapaakirjaoikeus* (9-1.1.2), also referred to as *vapaakirja* 'vested and preserved pension rights' on the basis of whether the pension rights refer to current or terminated employment. The concept *eläkeikä* (9-2) is further divided into the concepts *vanhuuseläkeikä* (9-2.1) or *yleinen eläkeikä* 'general retirement age' and *varhaiseläkeikä* (9-2.2) 'early retirement age' on the basis of the delimiting characteristic indicating whether the pension is awarded at general retirement age or at an earlier minimum or qualifying age. Finally, the generic concept *eläketapahtuma* is divided into the specific concepts *vanhuus* (9-3.1) 'old age', *työkyvyttömyys* (9-3.2) 'disability', *työttömyys* (9-3.2) 'unemployment' *osa-aikatyöhön siirtyminen* (9-3.4) 'change-over to part-time work' and *perheenhuoltajan kuolema* (9-3.5) 'death of the family breadwinner', distinguished by type of contingency.

7.2 Concept systems representing the UK pension system

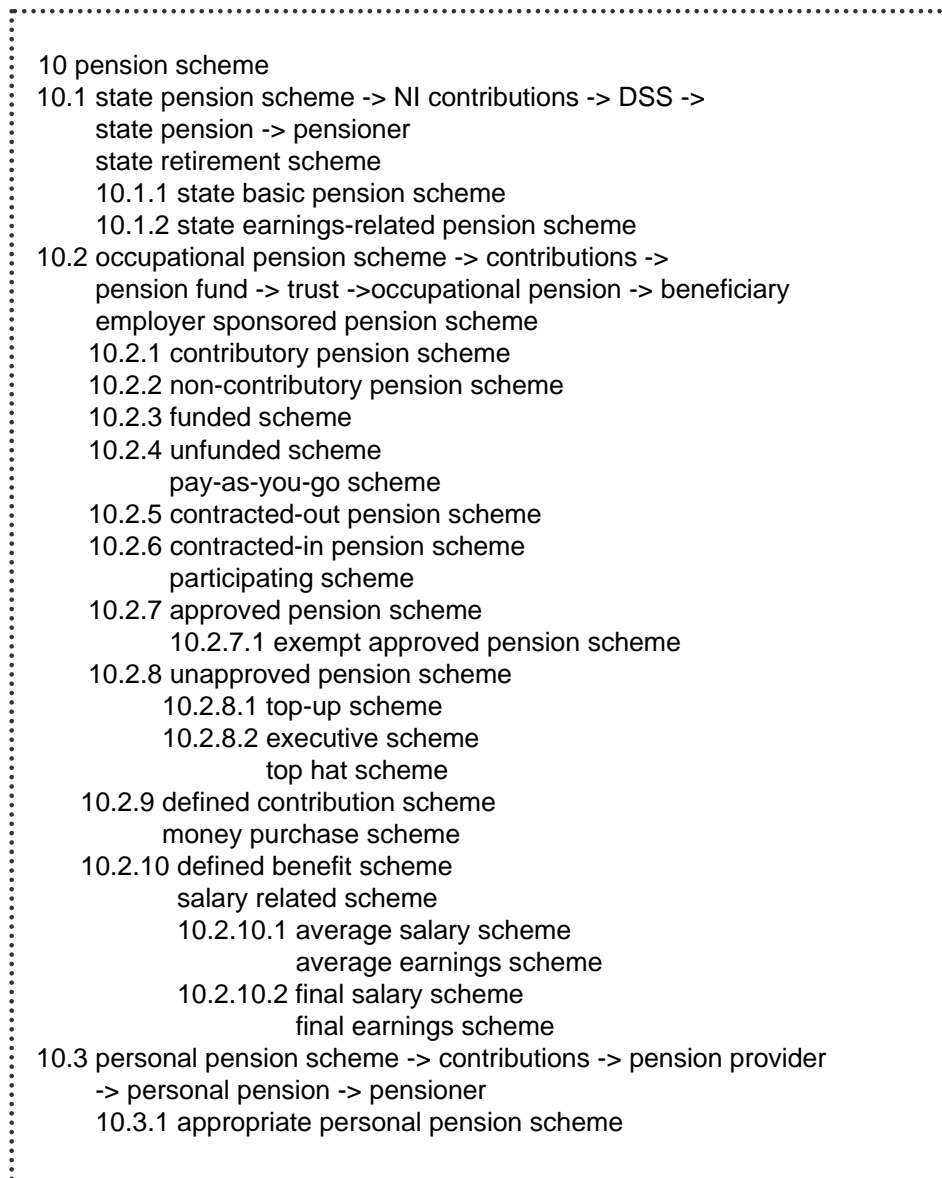


Figure 7.10. Mixed concept system representing the structure of the pension system of the United Kingdom

In the mixed concept system illustrating the pension system of the United Kingdom (Figure 7.10), the generic concept *pension scheme* (10) is divided into the specific concepts *state pension scheme* (10.1), *occupational pension scheme* (10.2) and *personal pension scheme* (10.3), distinguished by the delimiting characteristic indicating basis of the right to pension, whether statutory insurance, employment contract or private insurance contract. The concept *state pension scheme* is further divided into *state basic pension scheme* (10.1.1) and *state earnings-related pension scheme* (10.1.2) on the basis of the delimiting characteristic representing the method of benefit determination, whether flat-rate or earnings-related.

The concept *occupational pension scheme* is divided into various specific concepts on the basis of different criteria. The generic concept *occupational pension scheme* is divided into the specific concepts *contributory pension scheme* (10.2.1) and *non-contributory pension scheme* (10.2.2), distinguished by whether the employee is required to contribute towards the pension or not. Further, the concept *occupational scheme* is divided into the specific concepts *funded scheme* (10.2.3) and *unfunded scheme* (10.2.4), also referred to as *pay-as-you-go scheme*, on the basis of the method of financing, and into the specific concepts *contracted-out pension scheme* (10.2.5) and *contracted-in pension scheme* (10.2.6), also referred to as *participating scheme*, on the basis of whether the scheme is contracted out of or integrated with SERPS. Still further, the concept *occupational scheme* is divided into *approved pension scheme* (10.2.7) and *unapproved pension scheme* (10.2.8) on the basis of the delimiting characteristic denoting status of the scheme for tax purposes, whether approved or non-approved, with the concept *approved pension scheme* being further divided into the specific concept *exempt approved pension scheme* (10.2.7.1), denoting fulfillment of even stricter criteria. On the basis of qualification criteria for scheme membership, the concept *unapproved pension scheme* is divided into *top-up scheme* (10.2.8.1) membership of which is open to all the company employees and *executive scheme* (10.2.8.2), sometimes also referred to as *top hat scheme*, membership of which is qualified and restricted to senior employees. Finally, the concept *occupational pension scheme* is also divided into the specific concepts *defined contribution scheme* (10.2.9), also referred to as *money purchase scheme*, and *defined benefit scheme* (10.2.10), also referred to as *salary-related scheme*, on the basis of the delimiting characteristic representing principles of pension accrual and calculation. The concept *salary-related scheme* is further divided into the specific

concepts *average salary scheme* (10.2.10.1) and *final salary scheme* (10.2.10.2), distinguished by the formula applicable to the calculation of pensionable earnings.

Similarly as in the concept system portraying the Finnish pension system, there is a functional relationship between the individual concepts involved in the process of retirement provision. In the occupational pension scheme, this association includes the concepts *occupational pension* (11->1), *contribution* (11->2), *trust* (11->3), *pension fund* (11->4) and *beneficiary* (11->5), with the generic concept *beneficiary* being further divided into *active member* (11->5.1) and *deferred member* (11->5.2), distinguished by the classification criteria denoting present or terminated membership of the scheme, and *deferred member* being further divided into *pensioner* (11->5.2.1) and *early leaver* (11->5.2.2), distinguished by cause of termination of membership. Likewise, the concept *contribution* is divided into the specific concepts *employee contribution* (11->2.1) and *employer contribution* (11->2.2), distinguished by contributor (Figure 7.11).

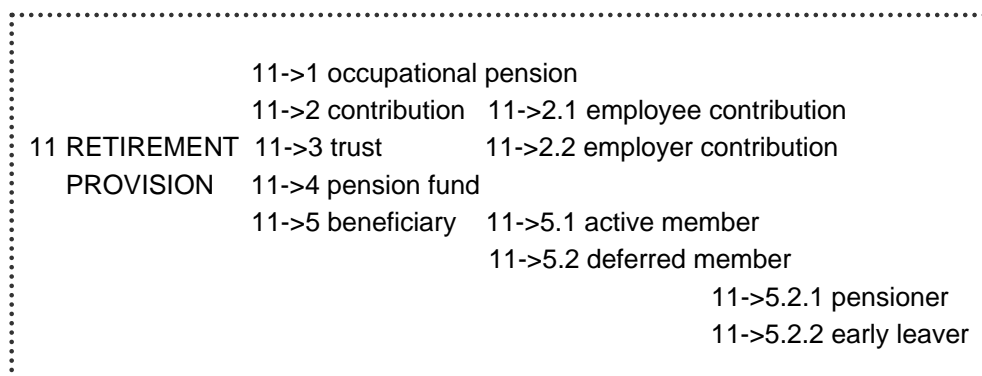


Figure 7.11. Mixed concept system illustrating provision of retirement benefits under the occupational pension scheme

The different kinds of pensions awarded under the pension schemes included in Figure 7.10 can be illustrated by a hierarchical concept system (Figure 7.12).

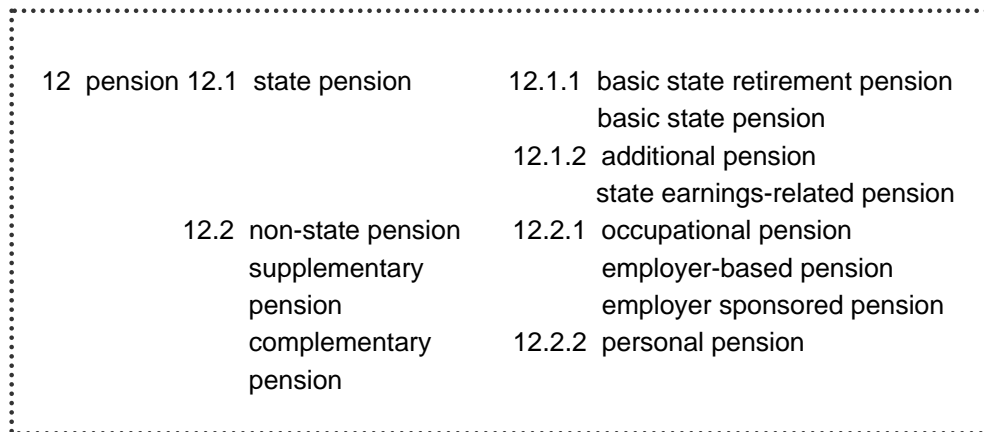


Figure 7.12. Hierarchical concept system illustrating pensions awarded in the United Kingdom

In the concept system portrayed in Figure 7.12 there is a hierarchical concept relation between the generic concept *pension* (12) and the specific concepts *state pension* (12.1) and *non-state pension* (12.2), also referred to as *supplementary pension* and *complementary pension*, distinguished by the status of the pension. The concept *state pension* is subdivided into the specific concepts *basic state retirement pension* (12.1.1), or *basic state pension*, and *additional pension* (12.1.2), or *state earnings-related pension*, differentiated by method of pension determination, whether flat-rate or earnings-related. The generic concept *non-state pension* is further divided into the specific concepts *occupational pension* (12.2.1), also referred to as *employer-based pension* or *employer sponsored pension*, and *personal pension* (12.2.2), with basis of the right to pension as the classification criterion.

Calculation of pensions and conditions of eligibility

The regulations governing calculation of pensions and eligibility differ between the state scheme and the occupational schemes. Separate concept systems have therefore been constructed for the state scheme and the occupational scheme.

Benefit calculation

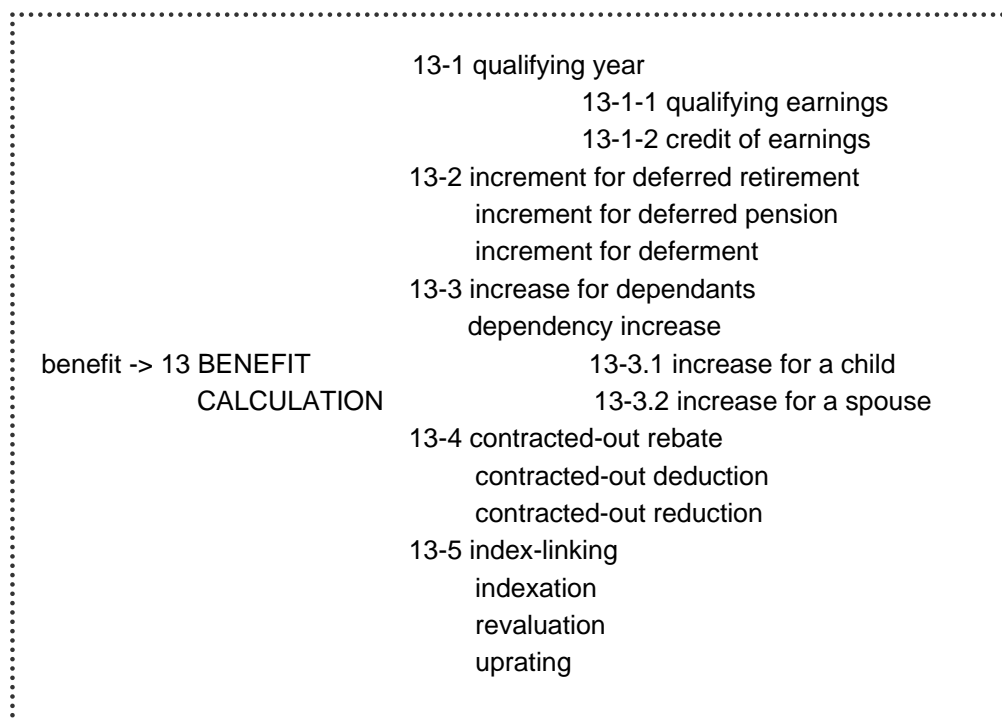


Figure 7.13. Concept system illustrating benefit calculation under the state basic pension scheme

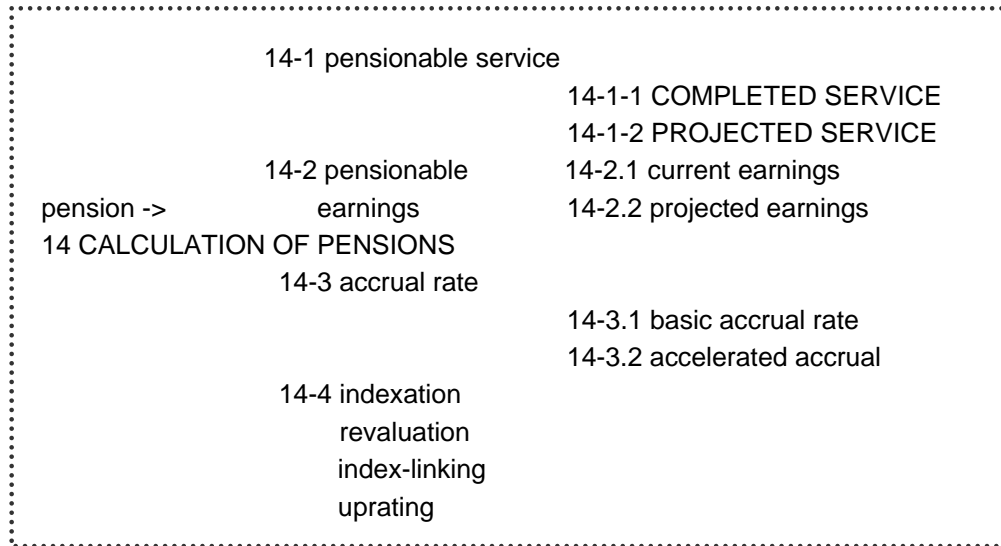


Figure 7.14. Concept system illustrating calculation of pensions under the occupational pension scheme

In the mixed concept system illustrating benefit calculation under the state basic pension scheme (Figure 7.13), there is a functional relation between the concept *benefit* and the concept *benefit calculation* and a partitive relation between *benefit calculation* (13) and the different elements included in benefit calculation, i.e. *qualifying year* (13-1), *increment for deferred retirement* (13-2), also referred to as *increment for deferred pension and increment for deferment, increase for dependants* (13-3), also referred to as *dependency increase, contracted-out rebate* (13-4), or *contracted-out reduction or contracted-out deduction*, and *index-linking* (13-5), or *revaluation, indexation or uprating*. Likewise, there is a partitive relation between the comprehensive concept *qualifying year* and the subordinate concepts *qualifying earnings* (13-1-1) and *credit of earnings* (13-1-2), distinguished by whether the earnings are based on qualifying service or on credits received for periods out of work.

Further, the concept *increase for dependants* is subdivided into the specific concepts *increase for a child* (13-3.1) and *increase for a spouse* (13-3.2), distinguished by dependant. Between the latter concepts there exists a hierarchical, generic relationship.

Similarly, in the concept system illustrating calculation of pensions under the occupational pension scheme (Figure 7.14), there is a functional

relation between the concept pension and the concept *calculation of pensions* and a partitive relation between *calculation of pensions* (14) and the individual elements of the calculation process, i.e. *pensionable service* (14-1) , *pensionable earnings* (14-2) , *accrual rate* (14-3) and *indexation* (14-4), or *revaluation, index-linking or uprating*. Further, there is a partitive relation between the comprehensive concept *pensionable service* and the specific concepts *completed service* (14-1-1) and *projected service* (14-1-2) and a generic relation between the concept *pensionable earnings* and the specific concepts *current earnings* (14-2.1) and *projected earnings* (14-2.2). Finally, there is a hierarchical concept relation between the generic concept *accrual rate* (14-3) and the specific concepts *basic accrual rate* (14-3.1) and *accelerated accrual* (14-3.2).

Eligibility

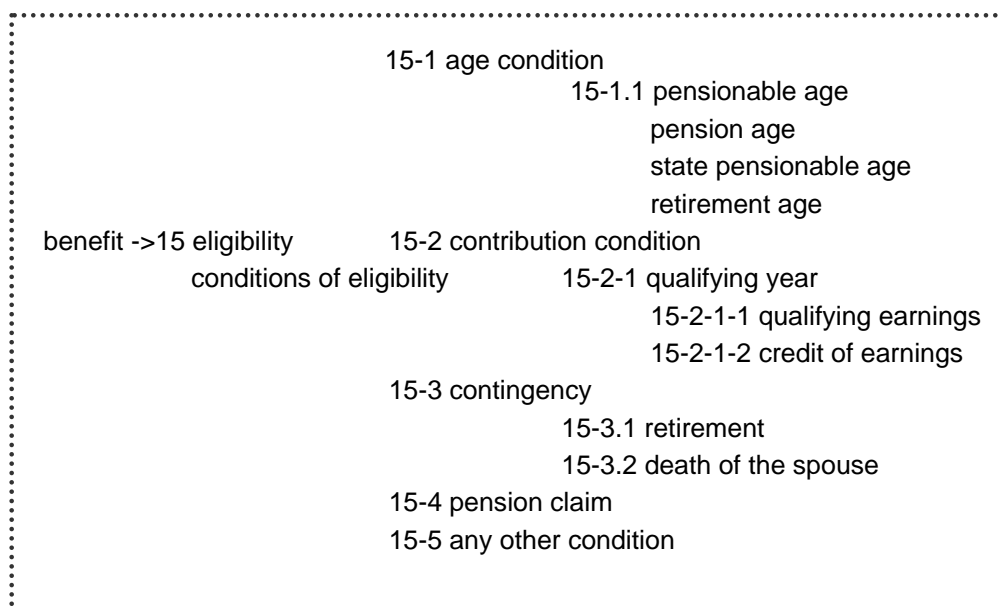


Figure 7.15. Concept system portraying conditions of eligibility under the state pension scheme

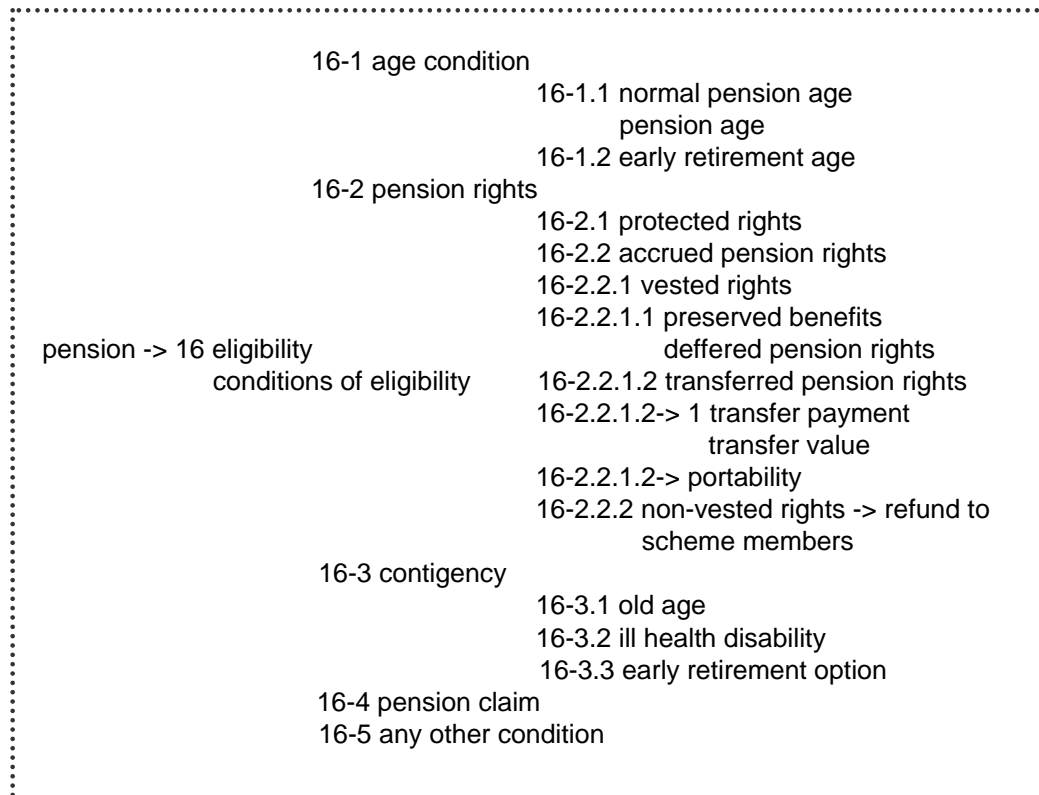


Figure 7.16. Concept system portraying conditions of eligibility under the occupational pension scheme

In the concept system representing eligibility for pension under the state retirement scheme (Figure 7.15), there is a functional relation between the concept *benefit* and the concept *conditions of eligibility* and a partitive relation between the concept *conditions of eligibility* (15) and the individual conditions, including *age condition* (15-1), *contribution condition* (15-2), *contingency* (15-3), *pension claim* (15-4), also referred to as *pension application*, and *any other condition* (15-5). There is a hierarchical relationship between the generic concept *age condition* and the specific concept *pensionable age* (15-1.1) also referred to as *pension age*, *state pensionable age* and *retirement age*. Further, there is a partitive relation between the comprehensive concept *contribution condition* and the subordinate concept *qualifying year* (15-2-1). The concept *qualifying year* is subdivided into the concepts *qualifying earnings* (15-2-1-1) and *credit of*

earnings (15-2-1-2), which satisfy the contribution condition, either together or individually. The relation between the generic concept *contingency* and the specific concepts *retirement* (15-3.1) and *death of the spouse* (15-3.2) is, in contrast, generic, the specific concepts being distinguished by the delimiting characteristic indicating type of contingency.

In the concept system portraying eligibility for pension under the occupational pension scheme (Figure 7.16), there is likewise a functional relationship between the concept *pension* and the concept *conditions of eligibility* and a partitive relation between the comprehensive concept *conditions of eligibility* (16) and the individual eligibility conditions, including *age condition* (16-1), *pension rights* (16-2), *contingency* (16-3), *pension claim* (16-4) and *any other condition* (16-5). The generic concept *age condition* is divided into the specific concepts *normal pension age* (16-1.1), or *pension age*, and *early retirement age* (16-1.2), whereas the generic concept *pension rights* is subdivided into the specific concepts *protected rights* (16-2.1) and *accrued rights* (16-2.2), distinguished by the status of the rights. The concept *accrued rights* is further divided into the specific concepts *vested rights* (16-2.2.1) and *non-vested rights* (16-2.2.2). The concept *vested rights*, in turn, is divided into the concepts *preserved benefit* (16-2.2.1.1), also referred to as *deferred rights*, and *transferred rights* (16-2.2.1.2) on the basis of whether the pension entitlement earned in the scheme is preserved in the scheme or transferred to another scheme upon change of employer. Finally, there is a functional relationship between the concept *transferred rights* and the concepts *transfer payment*, on the one hand, and the concept *portability*, on the other, as well as between the concept *non-vested rights* and the concept *refund of contributions*.

The latter two conceptual systems could also have been designed as functional concept systems built around the primary concepts *benefit calculation or calculation of pensions* and *eligibility*, respectively, as discussed above in section 7.1 dealing with the conceptual systems of the Finnish pension scheme (cf. p. 53).

8 CHARACTERISTICS OF PENSION TERMS

Pension terms are characteristically opaque, and a complete understanding of them generally requires extralinguistic knowledge. In international contexts the success of communication therefore depends on the transparency of transferred terminology and on the usage of context-conditioned variants and synonyms in a way that is characteristic of the subject field.

8.1 Motivation of Finnish pension terms

Finnish pension terms look transparent but upon closer examination many of them are not. Such non-transparent terms include compound terms constructed using the term element *eläke*. Accordingly, the differences in the meaning of the terms *eläkesäätiö* 'company pension fund' and *eläkekassa* 'industry-wide pension fund' remain unclear to the non-specialist, although such a person may know that they refer to pension providers. It takes a subject field specialist to understand that *eläkesäätiö* denotes a pension fund set up by one employer for the purpose of running the employer's pension scheme, whereas *eläkekassa* denotes a pension fund set up by employers of a specific industry for the same purpose.

Indeed, some of the terms including the term element *eläke* are directly misleading. Consequently, the terms *eläkeaika* 'pensionable service' and *eläkepalkka* 'pensionable earnings' are often confused with the terms *eläkkeelläoloaika* 'retirement days' and *eläkkeellöoloajan palkka* or *eläketulo* 'retirement income', respectively. The picture gets even more confusing if I add that as late as 1987 the definition of the term *eläkeaika* was "the time between the pension award and the termination of pension payment".

Therefore, where there is a risk of misunderstanding, I find that the longer, transparent forms of the terms should be used instead, i.e. *eläkkeeseen oikeuttava aika* for *eläkeaika* and *eläkkeen perusteena oleva*

palkka for *eläkepalkka*, at least in texts that are intended for the general public.

Eläkepalkka and *eläkeaika* are examples of terms which have been assigned specific meanings for actuarial purposes. In the material of this study, other such terms include *karttua*, *karttumisprosentti* and *karttuma*, *yhteensovitus*, *työeläkelisä*, *vapaakirja*, *tuleva aika*, *tulevan ajan oikeus*, *tulevan ajan eläke* and *eläkeoikeus*.

Although these terms generally represent explicit concepts laid down by law or actuarial practices, in common usage the meanings of the terms may, in my experience, vary somewhat. For instance, the term *tulevan ajan eläke*, which should designate a pension that is projected to retirement age, is sometimes, whether by mistake or intentionally, only used to refer to the rights projected for the period between the occurrence of the insured event and retirement age, and not the total potential pension rights of the individual, the projected rights included. Similarly, I have seen the term *eläkeprosentti* used both for the benefit rate and for the accrual rate. The term should, however, be used only in the sense of the benefit rate, the correct term for the accrual rate being *karttumisprosentti*, *karttumisvauhti* or, occasionally, *karttuma*.

Finally, the key term of the statutory earnings-related pension scheme, *työeläke*, is characteristically opaque. *Työeläke* represents the concept of a statutory, earnings-related pension awarded on the basis of gainful employment. None of the essential characteristics are, however, to be inferred from the term itself. Nevertheless, once the concept behind the term *työeläke* is uncovered, it should be easy enough to understand that the terms derived from it, including *työeläkelaitos*, *työeläkelaki*, *työeläkejärjestelmä* and *työeläkeyhtiö*, are in some way associated with the statutory earnings-related pension.

There is, however, some instability of terminology with regard to the usage of the term elements *työeläke* and *eläke*. I have observed an increasing tendency to substitute the term element *työeläke* for *eläke* in terms which have originally included the term element *eläke*. For instance, in the relevant act governing employees' pensions, the Employees' Pensions Act (*Työntekijäin eläkelaki*, TEL), the term for pension provider is *eläkelaitos*, but in handbooks and booklets the term *työeläkelaitos* is increasingly used. Whereas the glossary *Vakuutussanasto* published in 1996 includes the term *eläkelaitos* but not *työeläkelaitos*, the recent publication of the Central Pension Security Institute, *Suomen yksityisen sektorin työeläkejärjestelmä*, uses both *eläkelaitos* and *työeläkelaitos* in the same sense. Similarly, in the articles of the Institute's magazine

Työeläke and its booklets on retirement benefits intended for employed and self-employed workers, the term *työeläkelaitos* is frequently used. Furthermore, in recent legislation on pension insurance companies, the companies are referred to using the term *työeläkevakuutusyhtiö*, and not *eläkevakuutusyhtiö*.

This tendency may be attributable to a conscious effort to promote the earnings-related pension scheme and to make a clear distinction between the earnings-related scheme and the national pension scheme. It may also stem from the EU directives prescribing that companies operating a statutory pension scheme may not engage in other pension insurance business. Whatever the reasons, the resulting terms are more transparent and, therewith, more accessible to the Finnish reader familiar with the statutory earnings-related pension scheme.

8.2 Synonymy and polysemy of Finnish pension terms

The frequency of context-dependent variants, as discussed under 2.2.2.5.1 above, is illustrated by a tendency to introduce short forms of existing pension terms. In the previous section, I already mentioned the terms *eläkeaika* and *eläkepalkka*, which are contracted forms of *eläkkeeseen oikeuttava aika* and *eläkkeen perusteena oleva palkka*, respectively. Similarly, the word *karttuma* 'accrual' has come to be used synonymously with *karttumisprosentti* 'accrual rate', although the terms may not be synonymous in all contexts in that *karttuma* may also be used to refer to the accrued pension rights. This trend is, of course, consistent with the aim for term economy, but may sometimes go against the goal of transparency, as indicated above (p. 66f).

The case of polysemy is not so apparent in the material covered by this study. Two terms, however, warrant a brief discussion, viz. *eläketurva* 'pension provision' and *eläkeoikeus* 'pension rights'. In the material of this study, the term *eläketurva* is used in many different senses, depending on the context. Sometimes it means coverage or insurance for pension purposes, sometimes the pension scheme or even the pension itself. These nuances are not so important for speakers of the Finnish language, but they are crucial for the transfer of the term into another language. The translator has to make a choice between the equivalents 'pension

provision' or 'retirement provision', 'pension scheme', 'pension', 'pension rights', or some other equivalent that suits the context.

Another example of polysemy in the pensions field is represented by the term *eläkeoikeus* 'pension rights'. This term is used both in the sense of general entitlement to pension based on a social right, i.e. *oikeus eläkkeeseen*, and to refer to the actual pension rights built up by the insured person in the course of gainful employment. When referring to the pension rights built up by an individual, the term *eläketurva* is also often used, as mentioned above.

Further, the term *vapaakirja* is used both in the sense of 'paid-up policy' for actuarial purposes and as a synonym of the term *vapaakirjaoikeus* in the sense of 'vested and preserved pension' to indicate that, upon change of employment, the pension rights accrued are not lost but preserved. This usage has special relevance for the choice of equivalent, which must necessarily be based on the context (cf. section 9.3.2 below).

8.3 Motivation of UK pension terms

On the basis of the material of this study, I draw the conclusion that English pensions terminology is not easily accessible to the non-specialist. Most of the terms are non-transparent and in fact difficult to understand. This is, for instance, true of all the terms referring to actuarial practices, such as those representing pension rights, including *accrued rights*, *vested rights*, *preserved benefits* and *transferred pension rights*. These terms are expressly defined in legislation and are not transparent as such.

The same applies to the terms representing different types of schemes. For example, the term *approved pension scheme* only denotes that the scheme is an approved scheme but does not uncover the purpose for what it is approved or the relevance of the approved status of the scheme. Likewise, the terms *defined benefit scheme* and *defined contribution scheme* are highly technical, and a complete understanding of their meaning presupposes knowledge of scheme build-up and methods of pension financing. In contrast, the terms *contracted-out* and *contracted-in* are transparent in that they expressly denote the process of contracting out or in of the scheme, which, given its widespread usage, should be familiar to the employees insured for pension purposes. To someone unfamiliar with the process of contracting-out, the term *contracted-out*

scheme does not, however, reveal the essential characteristics of the scheme, i.e. that the scheme is an occupational pension scheme set up by the employer in place of the statutory earnings-related pension scheme, SERPS.

8.4 Synonymy and polysemy of UK pension terms

UK pensions terminology is rich in synonyms and variants. For instance, for the term *occupational pension scheme* the context-dependent synonyms *employer sponsored scheme* and *employer-based scheme* are frequently used, as are the terms *company pension scheme* and *industry-wide scheme*. What makes the picture even more complicated is that in the English-speaking community there are many more terms designating this type of scheme, including *supplementary pension scheme* and *complementary pension scheme*. In the EU directives both the term *supplementary pension scheme* and the term *occupational pension scheme* are used in the sense of *occupational pension scheme*. Accordingly, in the EU directive on the cross-border transfer of pension rights, the term *supplementary pension* is used to denote the concept represented by the term *occupational pension* under the UK pension scheme, whereas in the equal rights directive the same concept is referred to using the term *occupational pension*. The exact meaning of the term *supplementary pension* is therefore highly dependent on the context in which it is used.

The terms *benefit*, *pension* and *pension rights* are often used synonymously in special texts to indicate the pension accruing to the beneficiary. This usage is also documented in section 124 of the Pensions Act 1995. Accordingly, *accrued rights*, *accrued benefits* and *accrued pension* are all synonyms. Similarly, the *preserved benefits* of early leavers are also referred to using the term *deferred rights*. Furthermore, the terms *pension* and *benefit* are used synonymously for pensions in payment, though usage of the term *benefit* would appear to be more frequent in the context of social security than in the context of occupational or personal pensions.

The terms used to refer to persons who are currently accruing or drawing a benefit or pension also vary depending on the scheme. In the state scheme, the former are referred to as *insured persons* or *persons*

insured for retirement purposes, whereas the latter are called *pensioners*. In the occupational pension schemes, the persons accruing pension rights are referred to as (*active*) *members* or *beneficiaries*, whereas those receiving benefits under the scheme are called *pensioners*, *beneficiaries* or *deferred members*. The term *beneficiary* originates in trust law and denotes the status of the member as a beneficiary under the trust set up for the administration of the pension scheme.

Furthermore, several variants are used in legislation for the process of increasing benefits in line with movements in the prices or earnings index. Both under the social security scheme and under the occupational pension schemes, this pensions increase is referred to using the terms *revaluation*, *indexation*, *index-linking* or *uprating*. However, according to some sources, e.g. the Pensions Act 1995, the term *revaluation* is used especially in the context of uprating preserved benefits. The corresponding verbs are *revalue*, *increase* and *review*.

Synonymy also exists in the context of the verbs used. For instance, the verbs *accumulate*, *acquire* and *build up* may be exchanged for the verb *accrue* in connection with pension rights. In other words, you may accrue, accumulate, acquire or build up pension rights. However, the material of this study indicates that the usage of the terms *accumulate* and *accrue* seems to vary with type of scheme in that the term *accumulate* is used for money purchase schemes and the term *accrue* for defined benefit schemes. The verbs *acquire* and *build up*, in contrast, are used more generally for both types of scheme.

Similarly, the verbs *claim* and *apply* are used synonymously, in the same way as the term *pension application* is used as a full synonym of the term *pension claim*.

Some of the UK pension terms are polysemic. For instance, the term *deferred pensioner* may mean a person having deferred his pension beyond retirement age, or an early leaver whose pension rights are preserved in the occupational pension scheme to which he once belonged. Similarly, the term *deferred pension* refers either to a pension deferred beyond retirement age or to the preserved pension of an early leaver. Further, the *pension fund* may mean both the pension scheme itself and the assets of the pension scheme. Finally, as was already mentioned above, the term *supplementary pension* may mean an occupational pension, or it may mean any pension supplementing the social security pension, i.e. occupational pensions and personal pensions.

9 ESTABLISHING EQUIVALENCE BETWEEN FINNISH AND UK PENSION TERMS

As indicated above under 3.1, equivalence is defined as conceptual correspondence in the International Standard. However, for the purposes of establishing equivalence between the culture-specific terms of different languages this definition is too narrow. Rather, in the context of translation equivalence, it is necessary to decide whether the degree of conceptual correspondence between the terms of the two languages is high enough to justify their use as translation equivalents, or whether there is correspondence of function between the terms that render them equivalent for translation purposes.

However, as argued by Sandrini (1996: 136), in culture-specific fields of knowledge any translation equivalents can only serve as a basis for further analysis of the correspondence of the terms in a particular context. It is necessary to always bear in mind that in culture-specific fields, the role of terminology work is to provide linguistic and extralinguistic information about the concepts. The final choice of term is always made by the translator on the basis of contextual criteria.

In the following, I will basically employ the classification of Picht & Draskau (1985: 103f) and distinguish between total equivalence, partial equivalence and absence of equivalence. As a subcategory of partial equivalence, I will, however, also include the category of functional equivalence introduced by Sandrini (p. 141f) for determination of translation equivalents on the basis of correspondence of function. As already indicated, my approach is monodirectional, from Finnish into English.

My broad frame of reference is the three-pillar model used for comparison of pension schemes and employed in this study for the macro-level analysis of the two pension systems. The three-pillar structure has particular relevance for the establishment of the degree of equivalence in that the association with the type of scheme assumes the role of an essential characteristic. This approach to establishment of equivalence is based on Sandrini's concept of a definition. As indicated above under 2.2.2.4, Sandrini finds that definitions of legal concepts are essentially

functional. In other words, they must include a reference to the function of the concept in terms of the regulation concerned. Applied to the present study, this means that the association with the type of scheme must be inferred from the definition and, consequently, assumes the status of essential characteristic.

9.1 Total equivalence

In this study, terms are considered to be total equivalents for translation purposes if their degree of conceptual correspondence is sufficient, i.e. if the essential characteristics of the terms coincide. As mentioned above under 2.2.2.2, an essential characteristic is a characteristic that is vital for the understanding of the concept and that is, *inter alia*, taken as a basis for establishing equivalence between the terms of different languages. In the material of this study, the incidence of total equivalence is surprisingly high, given the structural differences of the schemes.

An analysis of the concept systems designed above gives the following terms as total equivalents for the translation purpose covered by this study: *eläke* and *pension*, *eläkehakemus* and *pension claim*, or its synonym *pension application*, *eläkejärjestelmä* and *pension scheme*, *eläketapahtuma* and *contingency*, *eläkkeen edellytykset* and *eligibility*, *eläkkeensaaja* and *pensioner*, *indeksikorotus* and *indexation*, or its synonyms *revaluation*, *uprating* and *index-linking*, *lapsikorotus* and *increase for a child*, *lisäeläketurva* and *supplementary pension provision*, *lykkäyskorotus* and *increment for deferred retirement*, *vanhuuseläkeikä* or *yleinen eläkeikä* and *pension age*, *pensionable age* or *general retirement age*, *yksilöllinen eläkevakuutus* and *personal pension scheme*, *yksilöllinen lisäeläke* and *personal pension* and *yksilöllinen lisäeläketurva* and *personal pension provision*.

The terms *työeläkemaksu* and *contribution* are also to be regarded as total translation equivalents, as are the terms *työntekijäin eläkemaksu* or *palkansaajan eläkemaksu* and *employee contribution*, and *työnantajan eläkemaksu* and *employer contribution*, respectively.

These terms are regarded as total equivalents for translation purposes because they include the same essential characteristics, including, where applicable, the characteristic denoting association with type of scheme (cf. 9 above).

9.2 Partial equivalence

Where the concepts have at least one essential characteristic in common, partial equivalence can be established between the terms. Accordingly, the terms *lisäeläkejärjestelmä* and *supplementary pension scheme* are partly equivalent, as the Finnish term denotes a system under which a specific supplementary pension is awarded, whereas the UK term may denote both the occupational pension scheme and the personal pension scheme. Thus, the UK term includes the Finnish term (inclusion, cf. section 3.3.1). However, within the broad frame of reference including EU terminology, the term *supplementary pension scheme* is also used in the sense of *occupational pension scheme* (cf. 8.2 above) and the term can, thus, be used as an equivalent to the Finnish term *lisäeläkejärjestelmä*, especially if the context indicates that the term refers to Finnish circumstances. However, in a general text discussing the supplementary pension schemes of different countries, the term may include personal pensions, as well. The terms *lisäeläke* and *supplementary pension* are also partially equivalent on the same grounds.

Similarly, the terms *eläke* and *benefit* are partly equivalent, with the term *benefit* being the broader concept and *eläke* the narrower concept. Due to differing textual conventions arising from diverging realities, the term *benefit* is frequently used as the translation equivalent of *eläke*.

Likewise, the terms *eläkeikä* and *pension age* are partially equivalent. *Eläkeikä* is the superordinate concept and *pension age* the subordinate concept.

Further, the terms *vapaakirjaoikeus* and *vested pension* are partly equivalent as the Finnish term refers to the preserved rights of persons insured under the statutory earnings-related pension scheme, whereas the UK pension denotes the vested rights of the members of occupational pension schemes, which may either be preserved in the scheme or transferred to the receiving scheme upon change of employer. Thus, this is also a case of inclusion, with *vested pension* as the broader concept and *vapaakirjaoikeus* as the narrower concept. In this case, however, the structural differences between the pension systems play a role in that in Finland the change of employer generally does not involve a change of pension scheme, whereas in the United Kingdom employer and pension scheme go hand in hand as pension schemes are employer-based. Consequently, the term *vested pension* or *vested benefit* cannot as such be used as a translation equivalent of *vapaakirjaoikeus* as this would imply

conditions similar to those of the United Kingdom. Instead, a translation label *vested and preserved benefit* or *vested and preserved pension rights* needs to be constructed to indicate that, under Finnish circumstances, the vested pension rights are always preserved in the scheme and not transferred following change of employer.

9.2.1 Functional equivalence

On the basis of correspondence of function, equivalence can be established between the following terms: *alennettu karttuma* and *slower accrual*, *eläkeaika* and *pensionable service*, *eläkeoikeus* and *pension rights*, *eläkepalkka* and *pensionable earnings*, *karttumisprosentti* or *karttumisvauhti* and *accrual rate*, *karttunut eläkeoikeus* and *accrued pension rights*, *korotettu karttuma* and *accelerated accrual*, *tavallinen karttuma* and *basic accrual rate*, *varhaiseläkeikä* and *early retirement age*.

The referents of all of these terms have the same function within both pension systems, as viewed both from the scheme perspective and from the perspective of the individual insured person. The terms would, however, not be considered equivalent on the basis of conceptual correspondence as the Finnish terms are associated with the statutory pension scheme and the UK terms with the occupational scheme.

9.3 Absence of equivalence

For a number of terms specific to the Finnish system there is no equivalent in the UK system but a translation equivalent needs to be constructed following one of the approaches discussed above under 3.2.2. In this study, I attempt to combine the target language and source language approaches and produce terminology that reflects Finnish circumstances but, to the extent possible, is based on terminology, i.e. term elements, familiar to the English-speaking public. My focus is on transparency and term motivation and on the creation of appropriate associations in the members of the target readership. At the same time, however, I aim to take proper care not to indicate target-culture rather than source-culture circumstances. For the purposes of the present study, this

means that the translation equivalents need to be constructed bearing in mind the existing terminology and structures of the UK pension scheme, also acknowledging the three-pillar pension structure that serves as a basis for macro-level comparison of pension systems and has special relevance for the construction of equivalents to the key culture-specific pension terms, including the terms *työeläke* and *lisäeläke*.

9.3.1 English-language equivalents to Finnish culture-specific pension terms

Työeläke

The concept represented by the key term of the Finnish statutory earnings-related pension scheme, *työeläke*, is not known in the English speaking world. Consequently, a translation equivalent 'employment pension' was once constructed for the term through the method of calquing. However, although formed in accordance with English term formation principles, the English translation equivalent proved non-transparent to the English-speaking professional audience. Awareness of this resulted in the use of competing translation equivalents, such as 'occupational pension', 'supplementary pension', 'social security pension' and 'statutory earnings-related pension'. Sometimes, the term *public pension* was used according to American practice.

Under the pension system of the United Kingdom, the functional equivalent of *työeläke* would be *occupational pension* or *state earnings-related pension*. However, a comparison of the terms against the three-pillar structure shows that the term *occupational pension* cannot be used as an equivalent as the pension represented by it is classified in pillar 2, whereas *työeläke* belongs in pillar 1. The term *state earnings-related pension*, in contrast, is classified in pillar 1, but usage of this term as such is not possible as it would imply target-culture circumstances. The translation equivalent can, however, be modelled on the latter term in order to create appropriate associations in the target-culture audience. The resulting definition-like equivalent *statutory earnings-related pension*, thus, resembles the UK term and includes the essential characteristics of the concept *työeläke*.

As discussed above under the section dealing with synonymy and polysemy in special language (cf. 2.2.2.5.1), context-dependent abbreviations of long terms are often used in specialist communication. It was mentioned that English terms are abbreviated by omitting one term element, which may result in the broader concept being used as a synonym of the term. Accordingly, the English-language equivalent of the term *työeläke*, i.e. *statutory earnings-related pension*, may be replaced by variants like *statutory pension*, *earnings-related pension* and, sometimes, *pension*, when the referent is clear from the context.

Compound terms including the term element *työeläke*

The approach to term formation mentioned above has special relevance for the creation of translation equivalents to compound terms including the term element *työeläke*. Consequently, although it is in the interest of term motivation to employ the same strategy of definition-like equivalents in the creation of equivalents to the culture-specific terms *työeläkelaitos*, *työeläkeyhtiö* and *työeläkejärjestelmä*, for many of the terms it is advisable also to use contextually determined variants. In my opinion, the shorter variant should even be preferred over the longer one in special texts.

In line with the term formation strategy focusing on definition-like equivalents, the term *työeläkelaitos* is rendered in English by 'pension institution authorised to operate a statutory earnings-related pension scheme', which can be abbreviated to 'pension institution'. However, the equivalent 'authorised pension provider' can also be constructed in analogy with the term *personal pension provider* used under the UK pension system. Similarly, the English-language equivalent to *työeläkeyhtiö*, which in itself is an abbreviation of *työeläkevakuutusyhtiö*, 'pension insurance company authorised to transact statutory earnings-related pension insurance' could be abbreviated to 'pension insurance company' or 'authorised pension insurance company'. The latter term would also reflect the fact that the operation of pension insurance business in Finland is subject to authorisation by the Ministry of Social Affairs and Health. This approach to term formation is modelled on the strategy applied in the English language in the formation of terms like *approved pension scheme*, which is the contracted form of the phrase *pension scheme approved for tax purposes*, and *contracted-out pension scheme*, which is the contracted form of the phrase *pension scheme contracted out of SERPS*.

Rekisteröity lisäeläke and vapaamuotoinen lisäeläke

In the formation of equivalents to the terms *rekisteröity lisäeläke* and *vapaamuotoinen lisäeläke*, the definition-like equivalents 'supplementary pension registered with the Central Pension Security Institute' and 'supplementary pension not registered with the Central Pension Security Institute' can be taken as a basis. Through the method of contraction, the equivalents *registered supplementary pension* and *unregistered supplementary pension* were arrived at, following the same approach as in the creation of the UK terms *approved pension scheme* or *contracted-out pension scheme*.

Eläkekassa and eläkesäätiö

The formation of equivalents to the terms *eläkekassa* and *eläkesäätiö* makes usage of the term elements *company* and *industry-wide*, which are commonly used in the context of pension schemes to indicate the distinction of one employer vs. several employers, for instance in the terms *company pension scheme* and *industry-wide pension scheme* designating occupational pension schemes. Consequently, the translation equivalent of *eläkesäätiö* would be 'company pension fund' and that of *eläkekassa* 'industry-wide pension fund'. Although these translation equivalents may not suit all circumstances, for instance because there are companies with both types of *pension fund*, they are nevertheless suggested as a basis for further analysis. Where the distinction between the concepts is irrelevant in the context, the term *pension fund* will suffice as a translation of the phrase *eläkekassat ja eläkesäätiöt*.

Tuleva aika

The term *tuleva aika* has no equivalent under the UK pension system, although the concept of projecting retirement benefits to retirement age exists under the occupational pension scheme. Here, the key word is the verb *project*. I have therefore decided to use the verb *project* in the construction of equivalents to Finnish pension terms including the compound term element *tuleva aika* or *tulevan ajan*. Consequently, *projected service* is suggested as the English-language equivalent to the term *tuleva aika*, *projected pension* to *tulevan ajan eläke* and *projected rights* to *tule-*

van ajan oikeus. However, as discussed above in section 2.2.2.5, frequently the whole phrase containing the term *tuleva aika* has term status and can be translated into English using a set phrase, which usually is *projected to retirement*.

9.3.2 English-language equivalents to polysemic pension terms

Especially when the Finnish pension term is polysemic, there can be no one English-language equivalent to the term but the equivalents need to be context-dependent. As mentioned in section 8.2 above, in the material of this study, such Finnish polysemic pension terms include *eläkeoikeus*, *eläketurva* and *vapaakirja*. As regards the term *eläkeoikeus*, much the same distinction between general entitlement to pension and pension rights accruing from employment is made in the English language, as documented in the Pensions Act 1995, and the transfer of this term generally presents no problems.

However, as indicated above under section 8.2, the transfer of the term *eläketurva* and other compound terms including the term element *eläketurva* is more problematic, because the meaning of the term varies with the context. Possible English-language equivalents of the term *eläketurva* include *pension provision*, *pension system*, *pension scheme*, *pension rights* and *pension*.

In the terminographic presentation in the following section, context-dependent translation equivalents are therefore provided for the term *eläketurva* and the terms based on the term element *eläketurva*. However, references to actual contexts are only included for the term *eläketurva*, because the contextual information given for this term may also be applied to the compound terms including the term element *eläketurva*.

Likewise, the translation of the term *vapaakirja* must necessarily vary with the context, as *vapaakirja* is both used in the actuarial sense of a paid-up pension and in the sense of vested and preserved pension, i.e. as a synonym of the term *vapaakirjaoikeus*. Thus, as already indicated by the explanations given in the first sentence, the translation equivalent is either *paid-up pension* or its synonym *paid-up benefit*, or *vested and preserved pension*, depending on the context.

10 TERMINOGRAPHIC PRESENTATION OF THE CONCEPT SYSTEMS

This section presents the results of the terminological analysis of the selected concepts representing the Finnish and the UK pension systems aimed at determining equivalence between Finnish and UK pension concepts and terms. The results are presented in the form of reference systems, designed separately for the Finnish and the UK pension systems. Separate reference systems are needed because there can be no conceptual correspondence between the concepts representing different legal systems and, hence, each concept must be documented individually in the context of a concept system, together with references to definitions, applicable legislation and contexts (cf. Sandrini, p. 208f).

The definitions are either existing definitions, in which case the source of the definition is indicated in the reference system, definitions modified from existing definitions to suit the concept of a functional definition, or definitions formulated on the basis of the material available to the writer. Where contexts are included, they have been selected from representative material in line with the requirement discussed above in section 2.2.2.1.

The contextual information also includes references to applicable legislation. These references are as detailed as possible given available sources of information. Consequently, for some terms it has been possible to identify the actual section of law, whereas for others only a reference to the applicable act or legislation has been included. For the Finnish terms, the most common reference is the Employees' Pensions Act (Työntekijäin eläkelaki, TEL) as this is the basic act upon which all the other pension acts are modelled. This means that most of the provisions and terms are also included in the other pension acts, although these acts are not mentioned in the reference system. For the UK pension terms, a reference is generally made to the Pension Schemes Act 1993, which accommodates the provisions of previous pension legislation, and the Pensions Act 1995.

Under the heading *synonyms*, both full synonyms and context-dependent variants are given, without distinction.

The terminographic presentation of the Finnish terms include English-language equivalents. Although it has repeatedly been pointed out in this study that the function of terminology work in culture-specific subject fields is to supply the translator with extralinguistic and linguistic information about the concepts and terms and that the final choice of equivalent should be left with the translator, in keeping with the second aim of this study, which was to address term formation strategies applicable to the transfer of culture-specific terminology, I decided to provide equivalents based on my own experience as a translator in the pensions field and tested in this study. However, though these translation equivalents are practicable in most translation situations, they may not be suitable for all contexts.

The equivalents represent either established equivalents, which Newmark (1988:76) refers to as recognised equivalents, or equivalents arrived at in the course of this study. The former are labelled established translation equivalents, whereas the latter are labelled suggested translation equivalents. Where the equivalents do not appear in the reference systems illustrating the UK pension system but can be found in some appropriate context, contexts of the suggested English equivalents are given in the reference system, together with sources. These contexts do not always include exactly the same term as that suggested as a translation equivalent, but indicate the origins of the term arrived at. Finally, where the Finnish term is culture-specific and a translation label has been introduced, neither a definition nor a context is provided for the translation label selected but the choice of translation label is explained elsewhere in the study, more specifically in sections 9.3.1 and 9.3.2.

For terms to which an equivalent was identified in the UK pension scheme, the reference system includes a reference to the degree of equivalence for the translation purpose covered by this study, i.e. the degree of translation equivalence. This information serves as background information to the translator deciding on the appropriate equivalent in a translation situation.

Because of the approach of this study to break down the concept systems into micro systems, a certain degree of overlapping could not be avoided in the representation of the concept systems. Similarly, because of the distinction made between the regulations under the state scheme and the regulations under the occupational scheme of the UK pension system, certain terms are recorded twice.

10.1 Terminographic presentation of Finnish concept systems

1 eläketurva

Applicable legislation: Työntekijäin eläkelain 1 §.

Context 1: Työnantaja on velvollinen järjestämään ja kustantamaan tämän lain mukaiset vähimmäisehdot täyttävän eläketurvan jokaiselle työntekijälleen, jonka työsuhde on sen vuoden jälkeen, jona työntekijä on täyttänyt 13 vuotta, jatkunut yhdenjaksoisesti vähintään kuukauden.

Context Source: Työntekijäin eläkelain 1 §.

Suggested translation equivalents: insurance for pension purposes; pension insurance

Context: If *insured for pension purposes* under earlier legislation, their working life is taken to have started [...] and contributions for the period [...] are taken into account accordingly.

Context Source: Ogus, Barendt & Wikeley's (1995): *The Law of Social Security*, p. 231.

Context 2: Eläketurvan kokonaisuus Suomessa

Context Source: Eläketurvakeskuksen raportteja 1998:14: *Suomen yksityisen sektorin työeläkejärjestelmä*, p. 9.

Suggested translation equivalent 2: pension provision

Context: The state does not have a monopoly in *pension provision*.

Context Source: Ogus, Barendt & Wikeley's (1995): *The Law of Social Security*, p. 213.

Context 3: Eläketurvan rakennetta kuvattaessa puhutaan usein eläketurvan pilareista.

Context Source: Eläketurvakeskuksen raportteja 1998:14: *Suomen yksityisen sektorin työeläkejärjestelmä*, p. 9.

Suggested translation equivalent: pension system

Context 4: Eläketurva sidotaan maan palkka- ja hintatason muutokseen siten kuin asetuksella tarkemmin säädetään.

Context Source: Työntekijäin eläkelain 9 §.

Suggested translation equivalents: pension rights; pension; benefit

Context: Recent legislation provides that, for *pension rights* acquired in respect of future service, pensions in payment must be increased by 5 per cent a year, or the increase in the Retail Prices Index if less.

Context Source: Daykin, Chris (1994): *Pension Provision in Britain, Report on Supplementary Pension Provision in the United Kingdom*, p. 32.

Context: Most public sector pension schemes currently provide automatic or near-automatic indexation of *pensions* in line with movements in the Retail Prices Index.

Context Source: Daykin, Chris (1994): *Pension Provision in Britain, Report on Supplementary Pension Provision in the United Kingdom*, p. 32.

1.1 lakisääteinen eläketurva

Definition: laissa säädetty turva vanhuuden, työkyvyttömyyden, työttömyyden ja perheenhuoltajan kuoleman varalta.

Applicable legislation: Työntekijäin eläkelain 3 a §.

Suggested translation equivalents: statutory pension provision; statutory pension scheme; statutory pension rights; statutory pension

1.1.1 kansaneläketurva

Definition: kansaneläkelaila säädetty asumisperusteinen turva vanhuuden, työkyvyttömyyden, työttömyyden ja perheenhuoltajan kuoleman varalta.

Applicable legislation: Kansaneläkelaki.

Suggested translation equivalents: national pension provision; national pension scheme; national pension rights; national pension

1.1.1->1 Kansaneläkelaitos

Definition: laitos, joka vastaa *kansaneläkejärjestelmän* hallinnosta ja toimeenpanosta.

Applicable legislation: Kansaneläkelaki.

Established translation equivalent: Social Insurance Institution

1.1.1->2 kansaneläke

Definition: kansaneläkelakiin perustuva asumisperusteinen *eläke*.

Applicable legislation: Kansaneläkelaki.

Established translation equivalent: national pension

1.1.1->3 eläkkeensaaja

Definition: asumisen tai työn perusteella *eläkettä* saava henkilö.

Applicable legislation: Työeläkelainsäädäntö, Kansaneläkelaki.

Established translation equivalent: pensioner

Degree of translation equivalence: Total equivalence.

1.1.2 työeläketurva

Definition: työeläkelaeilla säädetty ansioperusteinen turva vanhuuden, työkyvyttömyyden, työttömyyden ja perheenhuoltajan kuoleman varalta.

Applicable legislation: Työeläkelainsäädäntö.

Suggested translation equivalents: statutory earnings-related pension provision; statutory earnings-related pension scheme

1.2 lisäeläketurva

Definition: lakisääteistä *työeläketurvaa* täydentävä, työnantajan järjestämä tai vakuutetun itsensä yksilöllisesti itselleen hankkima vapaaehtoinen *eläketurva* vanhuuden, työkyvyttömyyden, työttömyyden tai perheenhuoltajan kuoleman varalta.

Synonym: lisäturva

Applicable legislation: Työntekijäin eläkelain 11 §.

Suggested translation equivalent 1: supplementary pension provision

Context 1: The first report on *supplementary pension provision* in the United Kingdom describes the current arrangements (in February 1994) for occupational pensions and personal pensions.

Context Source: Daykin, Chris (1994): *Pension Provision in Britain, Report on Supplementary Pension Provision in the United Kingdom*, p. 1.

Degree of translation equivalence: Total equivalence.

Suggested translation equivalent 2: supplementary pension scheme

Degree of translation equivalence: Partial equivalence.

1.2.1.1 rekisteröity lisäeläketurva

Definition: Eläketurvakeskuksessa rekisteröity, työnantajan työntekijöilleen järjestämä, *lakisääteistä eläketurvaa* täydentävä vapaaehtoinen *eläketurva*.

Applicable legislation: Työntekijäin eläkelain 11 §.

Suggested translation equivalents: registered supplementary pension provision; registered supplementary pension scheme

1.2.1.2 vapaamuotoinen lisäeläketurva

Definition: työnantajan työntekijöilleen järjestämä, *lakisääteistä eläketurvaa* täydentävä, täysin vapaaehtoinen *eläketurva*, jota ei ole rekisteröity Eläketurvakeskuksessa.

Synonym: rekisteröimätön lisäeläketurva

Applicable legislation: Työntekijäin eläkelain 11 §.

Suggested translation equivalent: unregistered supplementary pension provision; unregistered supplementary pension scheme

1.2.2 yksilöllinen lisäeläketurva

Definition: vakuutetun itsensä vakuutuksella hankkima lakisääteistä turvaa täydentävä vapaaehtoinen *eläketurva*.

Established translation equivalent: personal pension provision

Context: From the late 1980s there was a rapid rise in *personal pension provision*, stimulated by the Social Security Act 1986.

Context Source: Ogus, Barendt & Wikeley's (1995): *The Law of Social Security*, pp. 213 - 214.

Degree of translation equivalence: Total equivalence.

2 työeläketurva

Definition: työeläkelaeilla säädetty ansioperusteinen turva vanhuuden, työkyvyttömyyden, työttömyyden ja perheenhuoltajan kuoleman varalta.

Applicable legislation: Työeläkelainsäädäntö.

Suggested translation equivalents: statutory earnings-related pension provision; statutory earnings-related pension scheme

2->1 TEL-vakuutus

Definition: Työntekijäin eläkelain (TEL) mukainen *eläkevakuutus*, jonka tarkoituksena on turvata työntekijälle tai hänen perheelleen toimeentulon jatkuvuus silloin, kun työansio lakkaa *eläketapahtumaan*.

Definition Source: Eläketurvakeskus (1987): *Eläkesanastoa* (unpublished).

Applicable legislation: Työntekijäin eläkelain 3 §:n 1 momentti.

Suggested translation equivalent: insurance for statutory earnings-related pension

2->2 eläkelaitos

Definition: työ- ja lisäeläkevakuutustoimintaa harjoittava vakuutuslaitos, *eläkekassa* tai *eläkesäätiö*.

Synonym: työeläkelaitos

Applicable legislation: Työntekijäin eläkelain 3 §:n 2 momentti.

Suggested translation equivalent: authorised pension provider

Context: Self-employed persons or employees who are not members of a pension fund can take out their own personal pension arrangement with an *authorized pension provider*, such as an insurance company, a building society or a bank.

Context Source: Daykin, Chris (1994): *Pension Provision in Britain, Report on Supplementary Pension Provision in the United Kingdom*, p. 36.

2->3 vakuutusmaksu

Definition: *eläketurvasta* sosiaali- ja terveysministeriön vuosittain vahvistamien perusteiden mukaisesti suoritettava maksu.

Applicable legislation: Työntekijäin eläkelain (TEL) mukaisen perusvakuutuksen vakuutusehdot.

Synonym: työeläkemaksu

Established translation equivalents: contribution; pension contribution

Degree of translation equivalence: Total equivalence.

2->4 työeläke

Definition: työ- tai virkasuhteesta suhteessa työskentelyaikaan ja palkkaan karttuva *eläke*.

Definition Source: Vakuutussanasto (1996).

Applicable legislation: Työntekijäin eläkelaki.

Suggested translation equivalent: statutory earnings-related pension

2->5 eläkkeensaaja

Definition: asumisen tai työn perusteella *eläkettä* saava henkilö.

Applicable legislation: Työeläkelainsäädäntö, Kansaneläkelaki.

Established translation equivalent: pensioner

Degree of translation equivalence: Total equivalence.

3 eläkelaitos

Definition: työ- ja lisäeläkevakuutustoimintaa harjoittava vakuutuslaitos, *eläkekassa* tai *eläkesäätiö*.

Synonym: työeläkelaitos

Applicable legislation: Työntekijäin eläkelain 3 §:n 2 momentti.

Suggested translation equivalent: authorised pension provider

Context: Self-employed persons or employees who are not members of a pension fund can take out their own personal pension arrangement with an *authorized pension provider*, such as an insurance company, a building society or a bank.

Context Source: Daykin, Chris (1994): *Pension Provision in Britain, Report on Supplementary Pension Provision in the United Kingdom*, p. 36.

3.1.1 työeläkevakuutusyhtiö

Definition: lakisääteistä eläkevakuuttamista hoitava vakuutusyhtiö, jolle sosiaali- ja terveysministeriö on myöntänyt toimiluvan.

Definition Source: Vakuutussanasto (1996).

Synonym: eläkevakuutusyhtiö

Synonym: työeläkeyhtiö

Applicable legislation: Laki työeläkevakuutusyhtiöistä.

Suggested translation equivalent: authorised pension insurance company

3.1.2 eläkekassa

Definition: vakuutuskassa, jonka pääasiallisena tarkoituksena on myöntää *eläkkeitä*.

Definition Source: Vakuutussanasto (1996).

Applicable legislation: Vakuutuskassalaki.

Suggested translation equivalent: industry-wide pension fund

3.1.3 eläkesäätiö

Definition: työnantajan perustama säätiö, jonka tarkoituksena on *eläkkeiden* ja niihin verrattavien muiden työsuhteen perusteella myönnettävien etujen antaminen työntekijöille.

Definition Source: Vakuutussanasto (1996).

Applicable legislation: Eläkesäätiölaki.

Suggested translation equivalent: company pension fund

4 vakuutusmaksu

Definition: *eläketurvasta* sosiaali- ja terveysministeriön vuosittain vahvistamien perusteiden mukaisesti suoritettava maksu.

Applicable legislation: Työntekijäin eläkelain (TEL) mukaisen perusvakuutuksen vakuutusehdot.

Synonym: työeläkemaksu

Established translation equivalents: contribution; pension contribution

Degree of translation equivalence: Total equivalence.

4-1 työnantajan eläkemaksu

Definition: työnantajan osuus *työeläkemaksusta*.

Established translation equivalents: employer contribution; employer's contribution

Degree of translation equivalence: Total equivalence.

4-2 työntekijäin eläkemaksu

Definition: palkansaajan osuus *työeläkemaksusta*.

Synonym: palkansaajan eläkemaksu.

Applicable legislation: Työntekijäin eläkelain 12 b §, sosiaali- ja terveysministeriön päätös työntekijäin eläkemaksusta.

Established translation equivalents: employee contribution; employee's contribution.

Degree of translation equivalence: Total equivalence.

4->1: vakuutusmaksuprosentti

Definition: sosiaali- ja terveysministeriön vuosittain vahvistamien perusteiden mukainen vakuutusmaksutaso.

Applicable legislation: Työntekijäin eläkelain mukaisen perusvakuutuksen vakuutusehdot.

Established translation equivalents: contribution rate; rate of contribution

Degree of translation equivalence: Total equivalence.

5 eläkevakuutus

Definition: vakuutus, joka otetaan toimeentulon turvaamiseksi tietyn määrään täyttämisen jälkeen tai työkyvyttömäksi tulemisen tai huoltajan kuoleman varalta.

Definition Source: Vakuutussanasto (1996).

Applicable legislation: Vakuutuslainsäädäntö.

Established translation equivalent: pension insurance

5.1 TEL-vakuutus

Definition: Työntekijäin eläkelain (TEL) mukainen *eläkevakuutus*, jonka tarkoituksena on turvata työntekijälle tai hänen perheelleen toimeentulon jatkuvuus silloin, kun työansio lakkaa *eläketapahtumaan*.

Definition Source: Eläketurvakeskus (1987): *Eläkesanasto* (unpublished).

Applicable legislation: Työntekijäin eläkelain 3 §:n 1 momentti.

Suggested translation equivalent: insurance for statutory earnings-related pension

5.2 lisäeläkevakuutus

Definition: työnantajan tietyille työntekijäryhmälle kustantama, *lakisääteistä* turvaa täydentävä, vapaaehtoinen *eläkevakuutus*.

Definition Source: Vakuutussanasto (1996).

Applicable legislation: Työntekijäin eläkelain 11 §.

Suggested translation equivalent: supplementary pension insurance

5.2.1 rekisteröity lisäeläkevakuutus

Definition: työnantajan tietyille työntekijäryhmälle kustantama, *lakisääteistä eläketurvaa* täydentävä, vapaaehtoinen, Eläketurvakeskuksessa rekisteröity *eläkevakuutus*.

Applicable legislation: Työntekijäin eläkelain 11 §.

Suggested translation equivalent: insurance for registered supplementary pension

5.2.2 vapaamuotoinen lisäeläkevakuutus

Definition: työnantajan tietyille työntekijäryhmälle kustantama, *lakisääteistä eläketurvaa* täydentävä, vapaaehtoinen eläkevakuutus, jota ei ole rekisteröity Eläketurvakeskuksessa.

Applicable legislation: Työntekijäin eläkelain 11 §.

Suggested translation equivalent: insurance for unregistered supplementary pension

5.3 yksilöllinen eläkevakuutus

Definition: henkivakuutusyhtiön [tai pankin] myöntämä vapaaehtoinen eläkevakuutus, jossa vakuutettuna on yksi henkilö.

Definition Source: Vakuutussanasto (1996).

Applicable legislation: Vakuutusehdot.

Established translation equivalent: personal pension scheme

Degree of translation equivalence: Total equivalence.

6 eläke

Definition: *eläkkeensaajalle* säännöllisin väliajoin, työn tai asumisen perusteella *eläketapahtuman* sattumisen jälkeen maksettava rahasuoritus.

Established translation equivalent 1: pension

Degree of translation equivalence: Total equivalence.

Established translation equivalent 2: benefit

Definition: amount to be paid upon the happening of an insured event when that amount is agreed at the inception of the contract.

Definition Source: C. Bennett (1992): *Dictionary of Insurance*

Degree of translation equivalence: Partial equivalence (inclusion).

6.1 kansaneläke

Definition: kansaneläkelakiin perustuva asumisperusteinen *eläke*.

Applicable legislation: Kansaneläkelaki.

Established translation equivalent: national pension

6.2 työeläke

Definition: työ- tai virkasuhteesta suhteessa työskentelyaikaan ja palkkaan karttuva *eläke*.

Definition Source: Vakuutussanasto (1996).

Applicable legislation: Työntekijäin eläkelaki.

Suggested translation equivalent: statutory earnings-related pension

6.3 lisäeläke

Definition: *eläke*, joka perustuu työnantajan tietyille työntekijäryhmälle ottamaan *lisäeläkevakuutukseen*.

Applicable legislation: Työntekijäin eläkelain 11 §.

Established translation equivalent: supplementary pension

Degree of translation equivalence: Partial equivalence (inclusion).

6.3.1 rekisteröity lisäeläke

Definition: *eläke*, joka perustuu Eläketurvakeskuksessa rekisteröityyn *lisäeläketurvaan*.

Applicable legislation: Työntekijäin eläkelain 11 §.

Suggested translation equivalent: registered supplementary pension

6.3.2 vapaamuotoinen lisäeläke

Definition: *eläke*, joka perustuu *lisäeläketurvaan*.

Synonym: rekisteröimätön lisäeläke

Applicable legislation: Työntekijäin eläkelain 11 §.

Suggested translation equivalent: unregistered supplementary pension.

6.4 yksilöllinen lisäeläke

Definition: vakuutetun itsensä ottamaan *yksilölliseen* eläkevakuutukseen perustuva *eläke*.

Established translation equivalent: personal pension

Degree of translation equivalence: Total equivalence.

7 eläkejärjestelmä

Definition: järjestely, jonka tarkoituksena on turvata henkilöiden toimeentulo *eläketapahtuman* sattuessa myöntämällä asumiseen tai työskentelyyn perustuvia *eläkkeitä*.

Applicable legislation: Työeläkelainsäädäntö, Kansaneläkelaki.

Established translation equivalent: pension scheme
Degree of translation equivalence: Total equivalence.

7.1 kansaneläkejärjestelmä

Definition: kokonaisuus, jolla toteutetaan asumisperusteinen lakisääteinen *kansaneläketurva*.

Applicable legislation: Kansaneläkelaki.

Established translation equivalent: national pension scheme.

7.2 työeläkejärjestelmä

Definition: kokonaisuus, jolla toteutetaan työ- tai virkasuhteeseen tai yrittäjätoimintaan perustuva lakisääteinen *työeläketurva*.

Definition Source: Vakuutussanasto (1996).

Applicable legislation: Työeläkelainsäädäntö.

Suggested translation equivalent: statutory earnings-related pension scheme

7.3 lisäeläkejärjestelmä

Definition: *lisäeläkevakuutukseen* perustuva lakisääteistä *työeläkejärjestelmää* täydentävä vapaaehtoinen *eläkejärjestelmä*.

Applicable legislation: Työntekijäin eläkelain 11 §.

Established translation equivalent: supplementary pension scheme.

Degree of translation equivalence: Partial equivalence (inclusion).

7.3-1 rekisteröity lisäeläke

Definition: *eläke*, joka perustuu Eläketurvakeskuksessa rekisteröityyn *lisäeläketurvaan*.

Applicable legislation: Työntekijäin eläkelain 11 §.

Suggested translation equivalent: registered supplementary pension

7.3-2 vapaamuotoinen lisäeläke

Definition: *eläke*, joka perustuu *lisäeläketurvaan*.

Synonym: rekisteröimätön lisäeläke

Applicable legislation: Työntekijäin eläkelain 11 §.

Suggested translation equivalent: unregistered supplementary pension.

7.4 yksilöllinen eläkevakuutus

Definition: henkivakuutusyhtiön [tai pankin] myöntämä vapaaehtoinen *eläkevakuutus*, jossa vakuutettuna on yksi henkilö.

Definition Source: Vakuutussanasto (1996).

Established translation equivalent: personal pension scheme

Degree of translation equivalence: Total equivalence.

8-1 eläkeaika

Definition: [*työ*]eläkkeeseen oikeuttava palvelusaika

Synonym: eläkkeeseen oikeuttava aika

Synonym: eläkkeen perusteena oleva aika

Applicable legislation: Työntekijäin eläkelain 6 §.

Established translation equivalents: pensionable service; pensionable employment

Degree of translation equivalence: Functional equivalence.

8-1.1 karttumisaika

Definition: [työsuhde]aika, jolta *eläkettä* karttuu eli jolta sitä ansaitaan.

Definition Source: Vakuutussanasto (1996).

Synonym: ansainta-aika

Applicable legislation: Työntekijäin eläkelain 5 §.

Suggested translation equivalents: completed service; actual period of service

Context: Ill-health retirement benefits will usually be based on final pensionable salary, but they often take into account a longer period of service than that actually worked, for example by adding a fixed number of years or by, say, doubling the *actual period of service*.

Context Source: Daykin, Chris (1994): *Pension Provision in Britain, Report on Supplementary Pension Provision in the United Kingdom*, p. 31.

8-1.2 tuleva aika

Definition: *eläketapahtuman* ja *eläkeiän* välinen aika, joka eräin edellytyksin luetaan eläkkeeseen oikeuttavaksi palvelusajaksi työkyvyttömyyseläkkeissä ja perhe-eläkkeissä.

Applicable legislation: Työntekijäin eläkelaki 6 a §.

Suggested translation equivalents: projected pensionable service; potential service

Context: Many schemes now provide a pension on ill-health retirement based on the total potential service which could have been completed up to normal retirement age.

Context Source: Daykin, Chris (1994): *Pension Provision in Britain, Report on Supplementary Pension Provision in the United Kingdom*, p. 31.

8-2 eläkepalkka

Definition: [*työ*]eläkkeen perusteena oleva ansio.

Definition Source: Vakuutussanasto (1996).

Synonym: eläkkeen perusteena oleva palkka

Applicable legislation: Työntekijäin eläkelain 7 §.

Established translation equivalents: pensionable earnings; pensionable income

Degree of translation equivalence: Functional equivalence.

8-3 karttumisprosentti

Definition: *eläkkeen* vuotuisen karttuman kertova prosenttimäärä.

Definition Source: Vakuutussanasto (1996).

Synonym: karttumisvauhti

Synonym: karttuma

Applicable legislation: Työntekijäin eläkelain 5 §.

Established translation equivalent: accrual rate

Degree of translation equivalence: Functional equivalence.

8-3.1 tavallinen karttuma

Definition: *työeläkejärjestelmässä työeläkkeen* laskennassa käytettävä normaali 1,5 prosentin vuotuinen karttuma.

Applicable legislation: Työntekijäin eläkelain 5 §.

Suggested translation equivalent: basic accrual rate

Context: The cost-saving options for final salary scheme employers are to change the *basic accrual rate* to a less favourable basis to allow for the effect of LPI (for example, by cutting an accrual rate of 1/60th for each year of pensionable service without LPI to 1/80th with LPI), to increase the member contribution rate (or make a non-contributory scheme contributory) or to convert the scheme to a money purchase basis.

Context Source: Benney, Belinda (1995): *A Guide to the Pensions Act 1995*.

Degree of translation equivalence: Functional equivalence.

8-3.2 alennettu karttuma

Definition: *työeläkejärjestelmässä työkyvyttömyyseläkkeiden* laskennassa *tulevalta ajalta karttuneiden eläkeoikeuksien* osalta käytetty tavallista *karttumisprosenttia* pienempi *karttumisprosentti*.

Applicable legislation: Työntekijäin eläkelain 5 §.

Suggested translation equivalent: slower accrual

Context: Younger employees might prefer a nursery scheme with low employee contribution rates and a *slower accrual rate* or one that is money purchase based.

Context Source: Self, Roger (1996): *Pension Fund Trustee Handbook*, p. 61.

Degree of translation equivalence: Functional equivalence.

8-3.3 korotettu karttuma

Definition: työeläkejärjestelmässä 60 ikävuoden jälkeen karttuneiden eläkeoikeuksien laskennassa käytetty tavallista *karttumisprosenttia* korkeampi *karttumisprosentti*.

Applicable legislation: Työntekijäin eläkelain 5 §.

Suggested translation equivalent: accelerated accrual

Degree of translation equivalence: Functional equivalence.

8-4 työeläkelisä

Definition: muuhun kuin osa-aikaeläkkeeseen tuleva lisä, jos työntekijä on saanut mm. työttömyysturvalain mukaista ansioon suhteutettua päivärahaa.

Definition Source: Vakuutussanasto (1996).

Applicable legislation: Työntekijäin eläkelain 7 f §.

Suggested translation equivalent: increment for credited periods

Context: *Credits are given for periods of unemployment, incapacity and in certain other circumstances.*

Context Source: Daykin, Chris (1994): *Pension Provision in Britain, Report on Supplementary Pension Provision in the United Kingdom*.

8-5 lapsikorotus

Definition: *eläkkeeseen* laskettava lisäys, jos *eläkkeensaajalla* tai hänen puolisoillaan on perhe-eläkkeeseen oikeutettu lapsi.

Applicable legislation: Työntekijäin eläkelain 7 g §.

Suggested translation equivalent: increase for a child

Degree of translation equivalence: Total equivalence.

8-6 varhennusvähennys

Definition: eläkkeeseen vanhuuseläkkeen varhentamisen johdosta tehtävä vähennys.

Applicable legislation: Työntekijäin eläkelain 5 a §:n 2 ja 3 momentti.

Suggested translation equivalents: abate for early retirement; reduction for early retirement

8-7 lykkäyskorotus

Definition: *eläkkeeseen* vanhuuseläkkeen myöhentämisen johdosta laskettava korotus.

Applicable legislation: Työntekijäin eläkelain 5 a §:n 1 momentti.

Established translation equivalents: increase for deferred retirement; increase for deferred pension; increase for deferral

Degree of translation equivalence: Total equivalence.

8-8 indeksikorotus

Definition: *eläketurvan* sitominen maan palkka- ja hintatason muutokseen.

Definition Source: Työntekijäin eläkelain 9 §:n 1 momentti.

Synonym: indeksitarkistus

Applicable legislation: Työntekijäin eläkelain 9 §.

Suggested translation equivalents: indexation; index-linking; uprating; revaluation

Degree of translation equivalence: Total equivalence.

8-9 yhteensovitus

Definition: menettely, jossa jonkin korvausjärjestelmän maksamasta etuudesta vähennetään toisen järjestelmän maksama etuus tai jossa otetaan huomioon toisen järjestelmän maksama etuus.

Definition Source: Vakuutussanasto (1996).

Applicable legislation: Työntekijäin eläkelain 8 §.

Established translation equivalent: integration of pensions

Context: This target may be set for the basic State pension and the occupational pension together, either with explicit *integration* or, more usually, by means of a formula which achieves a rough level of integration with the single person's basic State pension.

Context Source: Daykin, Chris (1994): *Pension Provision in Britain, Report on Supplementary Pension Provision in the United Kingdom*, p. 17.

9 eläkkeen edellytykset

Definition: *työeläkejärjestelmässä* sovellettavat *työeläkkeen* saamisen edellytykset.

Applicable legislation: Työntekijäin eläkelaki.

Established translation equivalents: eligibility; conditions of eligibility

Degree of translation equivalence: Total equivalence.

9-1 eläkeoikeus

Definition: työntekijälle työsuhteen myötä syntynyt oikeus [*työ*]eläkkeeseen.

Definition Source: Vakuutussanasto (1996).

Applicable legislation: Työntekijäin eläkelain 4 §.

Suggested translation equivalent: pension rights

Degree of translation equivalence: Functional equivalence.

9-1.1 karttunut eläkeoikeus

Definition: työntekijälle työsuhteen myötä todellisen palvelusajan perusteella syntynyt oikeus *työeläkkeeseen*.

Applicable legislation: Työntekijäin eläkelain 4 §.

Synonym: ansaittu eläkeoikeus

Established translation equivalent: accrued rights

Degree of translation equivalence: Functional equivalence.

9-1.1.1 karttuva eläkeoikeus

Definition: työntekijälle nykyisen työsuhteen perusteella syntyvä oikeus *työeläkkeeseen*

Applicable legislation: Työntekijäin eläkelain 4 §.

Suggested translation equivalent: pension rights accruing *in respect of current employment*

Context: The table excludes employees who have some *pension rights* but are not accruing benefits in an occupational pension scheme *in respect of current employment*.

Context Source: Daykin, Chris (1994): *Pension Provision in Britain, Report on Supplementary Pension Provision in the United Kingdom*, p. 19.

9-1.1.2 vapaakirjaoikeus

Definition: [vakuutetun] oikeus vastaiseen *eläkkeeseen* sellaisen työsuhteen perusteella, jonka päättyessä vakuutettu ei siirry välittömästi *eläkkeelle*.

Definition Source: Työntekijäin eläkeasetuksen 8 §:n 1 momentti.

Synonym: vapaakirja

Definition: *eläkeoikeus*, joka työsuhteen päättyessä jää lepämään ja joka oikeuttaa *eläkkeeseen eläketapahtuman* sattuessa.

Definition Source: Vakuutussanasto (1996).

Applicable legislation: Työntekijäin eläkeasetuksen 8 §.

Suggested translation equivalent: vested and preserved (pension) rights

9-1.2 tulevan ajan oikeus

Definition: [vakuutetun] oikeus siihen, että *eläketapahtuman* ja *eläkeiän* täyttämisen välinen aika luetaan *eläkkeeseen oikeuttavaksi ajaksi*.

Definition Source: Työntekijäin eläkelain 6 a §:n 1 momentti.

Applicable legislation: Työntekijäin eläkelain 6 a §.

Suggested translation equivalent: projected pension rights

9-2 eläkeikä

Definition: vahvistettu ikä, joka oikeuttaa *eläkkeen* saamiseen.

Definition Source: Eläketurvakeskus (1987): *Eläkesanastoa*, (unpublished)

Applicable legislation: Työntekijäin eläkelain 4 §.

Established translation equivalents: pension age; retirement age

Degree of translation equivalence: Partial equivalence.

9-2.1 vanhuuseläkeikä

Definition: ikä, jolloin oikeus vanhuuseläkkeeseen syntyy.

Synonym: yleinen eläkeikä

Applicable legislation: Työntekijäin eläkelain 4 §.

Established translation equivalents: pensionable age; general retirement age; pension age

Degree of translation equivalence: Total equivalence.

9-2.2 varhaiseläkeikä

Definition: ikä, jolloin oikeus varhaiseläkkeeseen syntyy.

Applicable legislation: Työntekijäin eläkelain 4 §.

Established translation equivalent: early retirement age

Degree of translation equivalence: Functional equivalence.

9-3 eläketapahtuma

Definition: *eläkeoikeuden* synnyttävä vakuutustapahtuma, esimerkiksi vanhuuseläkeiän täyttämispäivä tai työkyvyttömyyden alkamispäivä.

Applicable legislation: Työntekijäin eläkelaki.

Suggested translation equivalent: contingency

Degree of translation equivalence: Total equivalence.

9-4 eläkehakemus

Definition: virallinen lomake, jolla *eläkettä* haetaan ja jonka perusteella eläkeasia voidaan panna vireille.

Definition Source: Eläketurvakeskus (1987): *Eläkesanasto*, (unpublished).

Applicable legislation: Työntekijäin eläkeasetuksen 11 §.

Established translation equivalents: pension claim; pension application

Degree of translation equivalence: Total equivalence.

10.2 Terminographic presentation of UK concept systems

10 pension scheme

Definition: arrangement organised to provide *pensions* and/or other benefits for or in respect of one or more employees on leaving service or on death or retirement.

Applicable legislation: Social Security Contributions and Benefits Act 1992, Social Security Administration Act 1992, the Pension Schemes Act 1993, the Pensions Act 1995.

10.1 state pension scheme

Definition: compulsory *contributory* social security pension scheme of the United Kingdom.

Synonym: state retirement pension scheme

Applicable legislation: Social Security Contributions and Benefits Act 1992, Social Security Administration Act 1992, the Pension Schemes Act 1993, the Pensions Act 1995.

10.1.1 state basic pension scheme

Definition: state scheme providing the *basic state pension* to people who have met the minimum National Insurance *contribution* requirements.

Applicable legislation: Social Security Contributions and Benefits Act 1992, Social Security Administration Act 1992, the Pension Schemes Act 1993, the Pensions Act 1995.

10.1.2 state earnings-related pension scheme

Abbreviation: SERPS

Definition: state scheme providing an *additional pension* component, calculated by reference to the employee's earnings, on top of the basic *state pension*.

Definition Source: Department of Social Security (1999), *A new contract for welfare: Partnership in Pensions*, available online at the address <http://www.dss.gov.uk/hq/pubs/pengp/index.htm>.

Applicable legislation: Social Security Contributions and Benefits Act 1992.

10.2 occupational pension scheme

Definition: arrangement organised by an employer or on behalf of a group of employers to provide *pensions* and/or other benefits in respect of one or more employees on leaving service or on death or retirement.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Synonym: employer-based scheme

Synonym: employer sponsored scheme

Applicable legislation: Section 1 of the Pension Schemes Act 1993, the Pensions Act 1995.

10.2.1 contributory scheme

Definition: pension scheme which requires *contributions* from *active members* unless they are temporarily suspended during a contribution holiday.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Applicable legislation: The Pension Schemes Act 1993.

10.2.2 non-contributory scheme

Definition: *pension scheme* which does not require *contributions* from its active *members*.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Applicable legislation: The Pension Schemes Act 1993.

10.2.3 funded scheme

Definition: *occupational pension scheme* for which the employer builds up assets which are invested.

Definition Source: Self, Roger (1996): *Pension Fund Trustee Handbook*.

Applicable legislation: The Pension Schemes Act 1993.

10.2.4 unfunded scheme

Definition: *occupational pension scheme* for which the employer does not set aside and accumulate assets in advance of the benefits commencing to be paid.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Synonym: pay-as-you-go scheme

Definition: arrangement under which current benefits are paid out of current contributions and no funding is made to meet future liabilities.

Definition Source: Department of Social Security (1999) *A new contract for welfare: Partnership in Pensions* 15 December 1998, available online at the address <http://www.dss.gov.uk/hq/pubs/pengp/index.htm>.

Applicable legislation: The Pension Schemes Act 1993.

10.2.5 contracted-out pension scheme

Definition: *occupational pension scheme* used to provide its members with a level of benefits in place of those of the *state earnings-related pension scheme (SERPS)*.

Definition Source: C. Bennett (1992): Dictionary of Insurance.

Applicable legislation: Section 9 of the Pension Schemes Act 1993, as amended by the Pensions Act 1995.

10.2.6 contracted-in pension scheme

Definition: *occupational pension scheme* providing employees with a pension which is additional to the one they accrue at the same time in the *State Earnings-Related Pension Scheme (SERPS)*.

Definition Source: Self, Roger (1996): *Pension Fund Trustee Handbook*.

Synonym: participating scheme

Applicable legislation: The Pension Schemes Act 1993.

10.2.7 approved pension scheme

Definition: retirement benefits scheme which is approved by the Inland Revenue under Chapter I of Part XIV of ICTA 88, including a free standing AVC scheme.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Note: The term may also be used to describe a *personal pension scheme* approved under Chapter IV of that Part.

Applicable legislation: Section 590 of the Income and Corporation Taxes Act 1988 (ICTA).

10.2.7.1 exempt approved pension scheme

Definition: *approved* scheme established under irrevocable trust.

Definition Source: Self, Roger (1996): *Pension Fund Trustee Handbook*.

Applicable legislation: Sections 592 and 596 of the Income and Corporation Taxes Act 1988.

10.2.8 unapproved pension scheme

Definition: *scheme* or arrangement for paying retirement benefits to employees to which no special tax privileges are applied.

Definition Source: Self, Roger (1996): *Pension Fund Trustee Handbook*.

Applicable legislation: Income and Corporation Taxes Act 1988.

10.2.8.1 top-up scheme

Definition: *occupational scheme* designed to provide unapproved benefits to those who earn above the level of the *pensionable earnings* cap.

Definition Source: Self, Roger (1996): *Pension Fund Trustee Handbook*.

Applicable legislation: Income and Corporation Taxes Act 1988.

10.2.8.2 executive pension scheme

Definition: special insured scheme designed for senior employees.

Definition Source: Self, Roger (1996): *Pension Fund Trustee Handbook*.

Synonym: top hat scheme

Source: Pensions Management Institute (1984): *Pensions Terminology*.

Applicable legislation: The Pension Schemes Act 1993.

10.2.9 defined contribution scheme

Definition: *occupational pension scheme* where the *rate of contribution* is specified in the scheme rules.

Synonym: money purchase scheme

Applicable legislation: The Pension Schemes Act 1993.

10.2.10 defined benefit scheme

Definition: *occupational pension scheme* in which the rules specify the benefits to be paid, and the scheme is financed accordingly.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Synonym: salary-related scheme

Definition: defined benefit scheme in which benefits are related to earnings, i.e. a final earnings scheme or an average earnings scheme.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Applicable legislation: The Pension Schemes Act 1993.

10.2.10.1 average earnings scheme

Definition: *salary-related pension scheme* where the benefit for each year of membership is related to the *pensionable earnings* for that year.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Synonym: average salary scheme

Source: Self, Roger (1996): *Pension Fund Trustee Handbook*, p. 2.

Applicable legislation: The Pension Schemes Act 1993.

10.2.10.2 final earnings scheme

Definition: *salary-related pension scheme* where the benefits are calculated by reference to the *member's pensionable earnings* for a period ending at or before normal pension date or leaving service.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Synonym: final salary scheme

Source: Self, Roger (1996): *Pension Fund Trustee Handbook*, p. 2.

Applicable legislation: The Pension Schemes Act 1993.

10.3 personal pension scheme

Definition: usually used to mean a scheme approved under Chapter IV of Part XIV of ICTA 88, under which individuals who are self employed or in non pensionable employment make pension provision by means of insurance, unit trust or deposit account contracts.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Synonym: personal pension arrangement

Applicable legislation: Section 1 of the Pension Schemes Act 1993.

10.3.1 appropriate personal pension scheme

Definition: *personal pension scheme* which an individual may join as a means of contracting out of *the State Earnings Related Pension Scheme (SERPS)*.

Definition Source: Department of Social Security (1999) *A new contract for welfare*: Partnership in Pensions 15 December 1998, available online at the address <http://www.dss.gov.uk/hq/pubs/pengp/index.htm>.

Note: To obtain an appropriate scheme certificate from the Secretary of State for Social Security, the personal pension scheme needs to satisfy certain conditions about the provision of protected rights.

Applicable legislation: Section 7, paragraph 4, of the Pension Schemes Act 1993.

10->2 pension provider

Definition: body authorised under ICTA 88 to operate a *personal pension scheme* or a free standing AVC scheme.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Synonym: personal pension provider

Source: Benney, Belinda (1995): *A Guide to the Pensions Act 1995*, p. 75.

Applicable legislation: Income and Corporation Taxes Act 1988.

11->1 occupational pension

Definition: *pension* provided under the employer's *pension scheme* in place of the *additional pension* paid through the *state earnings-related pension scheme*.

Synonym: employer-based pension

Synonym: employer sponsored pension

Applicable legislation: Section 1 of the Pension Schemes Act 1993.

11->2 contribution

Definition: payment towards a *pension*.

Synonym: pension contribution

Source: Self, Roger (1996): *Pension Fund Trustee Handbook*, p. 51ff.

Applicable legislation: The Pensions Act 1995.

11->2.1 employee contribution

Source: Self, Roger (1996): *Pension Fund Trustee Handbook*, 51ff.

Definition: *contribution* payable by the employee towards his *pension*.

Synonym: employee's contribution

Synonym: member contribution

Applicable legislation: The Pensions Act 1995.

11->2.2 employer contribution

Source: Self, Roger (1996): *Pension Fund Trustee Handbook*, p.51ff.

Definition: *contribution* payable by the employer towards the pension of the employee.

Synonym: employer's contribution

Applicable legislation: The Pensions Act 1995.

11->3 trust

Definition: a legal concept which enables one or more persons (the trustees) to hold property for the benefit of others (the *beneficiaries*) for the purposes specified in the trust deed.

Definition Source: Department of Social Security (1999) *A new contract for welfare: Partnership in Pensions*, available online at the address <http://www.dss.gov.uk/hq/pubs/pengp/index.htm>

Applicable legislation: The Trustee Act 1925, The Pensions Act 1995.

11->4 pension fund

Definition: strictly speaking the assets of the pension scheme, but often used to denote the scheme itself.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Applicable legislation: The Pension Schemes Act 1993.

11->5 beneficiary

Definition: person entitled to benefit under a *trust* or who will become entitled on the happening of a specified event.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Applicable legislation: The Pensions Act 1995.

11->5.1 active member

Definition: member of a *pension scheme* who is at present accruing benefits under that *scheme* in respect of current service.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Applicable legislation: The Pensions Act 1995.

11->5.2 deferred member

Definition: person entitled to *preserved benefits*.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Synonym: deferred pensioner

Note: This term is sometimes used to describe a member on postponed retirement.

Note Source: Pensions Management Institute (1984): *Pensions Terminology*.

Applicable legislation: The Pensions Act 1995.

11->5.2.1 pensioner

Definition: person who is currently entitled to a *pension* from a *pension scheme*.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Applicable legislation: The Pensions Act 1995.

11->5.2.2 early leaver

Definition: person who ceases to be an *active member* of a *pension scheme*, other than on death, without being granted an immediate retirement benefit.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Applicable legislation: The Pensions Act 1995.

12 pension

Definition: retirement annuity resulting in a regular payment to the *pensioner*.

Applicable legislation: Social Security Contributions and Benefits Act 1992, the Pensions Act 1995.

12.1 state pension

Definition: *pension* payable under the *state retirement scheme* to people who have met the minimum National Insurance *contribution conditions*.

Applicable legislation: Social Security Contributions and Benefits Act 1992, the Pensions Act 1995.

12.1.1 basic state retirement pension

Definition: flat-rate *state pension* payable at state pension age to people who have met the minimum National Insurance *contributions* requirements.

Definition Source: Department of Social Security (1999) *A new contract for welfare: Partnership in Pensions* 15 December 1998, available online at the address <http://www.dss.gov.uk/hq/pubs/pengp/index.htm>.

Synonym: basic state pension

Applicable legislation: Social Security Contributions and Benefits Act 1992, the Pensions Act 1995.

12.1.2 additional pension

Definition: *earnings-related pension* component paid in addition to the basic pension to people who have not *contracted out of the earnings-related pension scheme*.

Synonym: state earnings-related pension

Applicable legislation: Social Security Contributions and Benefits Act 1992, the Pensions Act 1995.

12.2 non-state pension

Definition: any *pension* provided by an employer, including a public sector employer, or by a *personal pension provider*.

Definition Source: Department of Social Security (1999) *A new contract for welfare: Partnership in Pensions* 15 December 1998, available online at the address <http://www.dss.gov.uk/hq/pubs/pengp/index.htm>.

Synonym: supplementary pension

Synonym: complementary pension

Applicable legislation: The Pension Schemes Act 1995, the Pensions Act 1995.

12.2.1 occupational pension

Definition: *pension* provided by the employer in respect of *pension rights* built up under an *occupational pension scheme* at the occurrence of the insured event.

Synonym: employer-based pension

Synonym: employer sponsored pension

Applicable legislation: Section 1 of the Pension Schemes Act 1993.

12.2.2 personal pension

Definition: arrangement between an individual who is self-employed, in non-pensionable employment or who is not a *member* of an employer's scheme and a *pension provider* (such as an insurance company) which enables the individual to make provision for a *pension* on a *money purchase* basis.

Definition Source: Department of Social Security (1999) *A new contract for welfare: Partnership in Pensions* 15 December 1998, available online at the address <http://www.dss.gov.uk/hq/pubs/pengp/index.htm>.

Applicable legislation: Section 1 of the Pension Schemes Act 1993, the Pensions Act 1995.

13-1 qualifying year

Definition: tax year in which the person has received (or is treated as having received) *qualifying earnings* of at least 52 times the lower earnings limit for that year for *basic pension* purposes.

Applicable legislation: Section 122, Paragraph 1, of the Social Security Benefits and Compensations Act 1992.

13-1-1 qualifying earnings

Definition: earnings on which the insured person has paid full rate Class 1 *contributions*.

Applicable legislation: Section 22, Paragraphs 1 and 2, of the Social Security Benefits and Compensations Act 1992.

13-1-2 credit of earnings

Definition: earnings which the person is credited with, under certain conditions, if his earnings in a tax year do not reach the level needed for the year to count towards his *pension*.

Definition Source: Social Security Benefits Agency (1999): *A Guide to Retirement Pensions*

Applicable legislation: Section 9 of the Social Security Benefits and Compensations Act 1992, Section 127 of the Pensions Act 1995.

13-2 increment for deferred retirement

Definition: increment to pension earned by *deferring retirement* or by cancelling retirement and temporarily forgoing the *pension*.

Synonym: increment for deferment

Synonym: increment for deferred pension

Applicable legislation: Section 55 and Schedule 5 of the Social Security Benefits and Compensations Act 1992, as amended by Schedule 4, Paragraph 6, of the Pensions Act 1995.

13-3 increase for dependants

Definition: increase payable to the retirement *pension*, under certain conditions, for people who depend on the retirement *pensioner* for support

Synonym: dependency increase

Applicable legislation: Social Security Contributions and Benefits Act 1992.

13-3.1 increase for a child

Definition: increase to the *basic retirement pension* payable for a child for whom the *pensioner* is entitled to a child benefit.

Applicable legislation: Sections 80 - 81 of the Social Security Contributions and Benefits Act 1992.

13-3.2 increase for a spouse

Definition: increase to the *basic retirement pension* payable in respect of a husband or wife who is dependent on the *pensioner* for support.

Applicable legislation: Sections 83 and 84 of the Social Security Contributions and Benefits Act 1992, as amended by Paragraph 2 of Schedule 4 to the Pensions Act 1995.

13-4 contracted-out rebate

Definition: reduction of National Insurance *contributions* payable by employers and employees who have contracted out of SERPS into an *occupational pension scheme*.

Definition Source: Department of Social Security (1999) *A new contract for welfare: Partnership in Pensions* 15 December 1998, available online at the address <http://www.dss.gov.uk/hq/pubs/pengp/index.htm>.

Synonym: contracted-out deduction

Synonym: contracted-out reduction

Applicable legislation: The Pension Schemes Act 1993.

13-5 index-linking

Definition: adjustment in line with an index (usually of prices or earnings).

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Synonym: indexation

Synonym: revaluation

Synonym: uprating

Applicable legislation: Social Security Administration Act 1992

14-1 pensionable service

Definition: period of service which is taken into account in calculating *pension* benefit.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Synonym: pensionable employment

Applicable legislation: The Pension Schemes Act 1993.

14-2 pensionable earnings

Definition: the earnings on which benefits and/or *contributions* are calculated under the *occupational pension scheme*.

Synonym: pensionable salary

Synonym: pensionable income

Applicable legislation: The Pension Schemes Act 1993.

14-2.1 current earnings

Definition: the earnings of the present employment on which benefits are calculated under the *occupational pension scheme*.

Applicable legislation: The Pension Schemes Act 1993.

14-2.2 projected earnings

Definition: total potential earnings on which benefits are calculated under the *occupational pension scheme*.

Applicable legislation: The Pension Schemes Act 1993.

14-3 accrual rate

Definition: the rate at which pension benefit increases as *pensionable* service is completed in a *defined benefit scheme*.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Synonym: accumulation rate

Context: money purchase schemes.

Applicable legislation: The Pension Schemes Act 1993.

14-3.1 basic accrual rate

Definition: ordinary pensions *accrual rate* laid down in the scheme rules.

Applicable legislation: The Pension Schemes Act 1993.

14-3.2 accelerated accrual

Definition: provision by a scheme of an *accrual rate* greater than one sixtieth of *pensionable earnings* for each year of *pensionable service*.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Applicable legislation: The Pension Schemes Act 1993.

14-4 indexation

Definition: annual increase in rate of *pension* payable under an *occupational pension scheme*.

Definition Source: Section 51 of the Pensions Act 1995.

Synonym: revaluation

Definition: application, particularly to *preseved benefits*, of indexation, escalation or the awarding of discretionary increases.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Applicable legislation: Schedule 3, Paragraph 2, of the Pension Schemes Act 1993. sections 51 - 54 of the Pensions Act 1995.

15 eligibility

Definition: the conditions to be met for entitlement to benefits under the state retirement scheme.

Applicable legislation: The Pension Schemes Act 1993.

15-1 age condition

Definition: the condition of attainment of *pensionable age* for *eligibility* to *pension* under the *state pension scheme*.

Applicable legislation: Sections 44 (1)(a) and 49 (1) of the Social Security Benefits and Compensations Act 1992.

15-1.1 pensionable age

Definition: minimum age people must be before they can claim and receive a *state Retirement Pension*.

Definition Source: Social Security Benefits Agency (1999): *A Guide to Retirement Pensions*

Synonym: state pensionable age

Synonym: retirement age

Synonym: pension age

Applicable legislation: Section 122(1) of the Social Security Benefits and Compensations Act 1992.

15-2 contribution condition

Definition: condition for *eligibility* to *pension* under the *state pension scheme*

Applicable legislation: Paragraph 5 of Schedule 3 to the Social Security Benefits and Compensations Act 1992.

15-2-1 qualifying year

Definition: tax year in which the person has received (or is treated as having received) *qualifying earnings* of at least 52 times the lower earnings limit for that year for *basic pension* purposes.

Applicable legislation: Section 122, Paragraph 1, of the Social Security Benefits and Compensations Act 1992.

15-2-1-1 qualifying earnings

Definition: earnings on which the insured person has paid full rate Class 1 *contributions*.

Applicable legislation: Section 22, Paragraphs 1 and 2, of the Social Security Benefits and Compensations Act 1992.

15-2-1-2 credit of earnings

Definition: earnings which the person is credited with, under certain conditions, if his earnings in a tax year do not reach the level needed for the year to count towards his *pension*.

Definition Source: Social Security Benefits Agency (1999): *A Guide to Retirement Pensions* (1999).

Applicable legislation: Section 9 of the Social Security Benefits and Compensations Act 1992, Section 127 of the Pensions Act 1995.

15-3 contingency

Definition: event that may or may not occur in a given time period.

Definition Source: Barron's (1995): *Dictionary of Insurance Terms*.

Applicable legislation: The Pension Schemes Act 1993.

15-4 pension claim

Definition: form filled in by the prospective pensioner and remitted for adjudication to the competent body.

Synonym: pension application

16-1 age condition

Definition: the condition of attainment of the *normal pension age* or other minimum age for eligibility to pension under the rules of the occupational pension scheme.

Applicable legislation: The Pension Schemes Act 1993, scheme rules.

16-1.1 normal pension age

Definition: earliest age at which the member is entitled to receive benefits on retirement from any employment to which the *occupational pension scheme* applies, as laid down in the scheme rules.

Synonym: pension age

Applicable legislation: Section 180 of the Pension Schemes Act 1993, The Pensions Act 1995.

16-1.2 early retirement age

Definition: provision in the scheme rules of a lowest age giving entitlement to *pension* under the rules of the *occupational pension scheme*.

Applicable legislation: The Pension Schemes Act 1993, scheme rules.

16-2 pension rights

Definition: rights to an *occupational* or *personal pension* built up by an individual in respect of his employment.

Applicable legislation: Section 124, paragraph 2, of the Pensions Act 1995.

16-2.1 protected rights

Definition: benefits under an *appropriate personal pension* or a *contracted-out money purchase scheme* which derive from the contracted-out rebate and which must be provided in a specified form as a condition of contracting out.

Definition Source: Department of Social Security (1999) *A new contract for welfare: Partnership in Pensions* 15 December 1998, available online at the address <http://www.dss.gov.uk/hq/pubs/pengp/index.htm>.

Applicable legislation: Section 10 of the Pension Schemes Act 1993, as amended by Schedule 5 to the Pensions Act 1995.

16-2.2 accrued (pension) rights

Definition: rights to future benefits under the *occupational pension scheme* having accrued to or in respect of a *member* of the scheme.

Synonym: accrued pension

Synonym: accrued benefit

Synonym: accumulated pension rights

Context: money-purchase schemes.

Applicable legislation: Section 124, paragraph 2, of the Pensions Act 1995.

16-2.2.1 vested rights

Definition: for active *members*, benefits to which they would unconditionally be entitled on leaving service; for *deferred pensioners*; their *preserved benefits*; for *pensioners*, *pensions* to which they are entitled.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Applicable legislation: The Pension Schemes Act 1993.

16-2.2.1.1 preserved benefits

Definition: benefits arising on an individual ceasing to be an *active member* of an *occupational pension scheme*, payable at a later date.

Synonym: deferred (pension) rights.

Synonym: paid-up pension

Synonym: paid-up benefit

Applicable legislation: Sections 69 - 82 of the Pension Schemes Act 1993.

16-2.2.1.2 transferred pension rights

Definition: the *preserved benefits* of an early leaver which are *transferred* to the receiving scheme

Applicable legislation: Sections 93 and 94 of the Pensions Schemes Act 1993, as amended by sections 153 and 154 of the Pensions Act 1995.

16-2.2.1.2->1 transfer payment

Definition: payment made from a *pension scheme* to another *pension scheme* or to an insurance company to purchase a buy out policy, in lieu of benefits which have accrued to the *member or members* concerned, to enable the receiving arrangement to provide alternative benefits.

Definition Source: Pensions Management Institute (1984): *Pensions Terminology*.

Synonym: transfer value

Applicable legislation: Social Security Pensions Act 1975, section 20 of the Pension Schemes Act 1993.

16-2.2.1.2->2 portability

Definition: employee's right to transfer *pension rights* from a former employer to a current employer.

Applicable legislation: Social Security Pensions Act 1975, the Pensions Act 1995.

16-3 contingency

Definition: event that may or may not occur in a given time period.

Definition Source: Barron's (1995): *Dictionary of Insurance Terms*.

Applicable legislation: The Pension Schemes Act 1993.

16-4 pension claim

Definition: form filled in by the prospective pensioner and remitted for adjudication to the competent body.

Synonym: pension application

The presentation of this material would benefit from the application of an electronic terminology management system, such as MultiTerm by Trados, which allows for flexible and sophisticated database design according to user needs. Usage of such a terminology database would permit the free choice of data categories allowing for detailed documentation of contexts, usage, synonyms, variants, degrees of equivalence, directionality, sources and definitions, as well as the creation of cross-references between individual entries. Thus, individual terms and the relationships between source and target terms, including degrees of equivalence and directionality, could be adequately defined in order to permit documentation of English and Finnish pension terms in one and the same database.

10.3 Alphabetical index

The numbers in brackets refer to the location of the term in the respective reference systems. Synonyms are also recorded in the index.

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11 CONCLUSIONS

The purpose of this study was to compile a Finnish - English pension vocabulary for descriptions of the Finnish statutory earnings-related pension scheme in English, with special reference to the differences in scheme build-up and, more specifically, the relevance of the structural difference for the establishment of equivalence between the Finnish and UK pension terms. In the course of the study, it was ascertained that despite certain structural differences similar regulations could be identified under both pension systems, implying that at least functional equivalence could be established between some of the terms of the respective pension systems. In several cases, total equivalence - in the sense here intended - between the terms could be established for the translation purpose covered by this study.

However, as expected, contextual criteria proved to play a much more prominent role in the establishment of equivalence between pension terms than between strictly technical terms. In this particular case, this is attributable to the structural differences between the schemes, on the one hand, and to the diverging conceptions of the world, on the other. The latter is reflected in the prevalence of polysemy and synonymy and in the usage of context-dependent variants in the two languages. Thus, the choice of equivalent must always be based on contextual criteria, even where a degree of total translation equivalence may be established between the terms. This means that the general theory of terminology introduced by Eugen Wüster must be expanded to allow for its application to culture-specific fields of knowledge.

Accordingly, within the pensions field, the relevance of the structural differences between national schemes for establishing equivalence between pension terms is a major consideration. In the European context, the regulations coordinating social security within the EU also play an important role. It is clear that through redefinition of some key pension terms the EU will steer pensions terminology in a given direction. However, whether or not the EU regulations and the accompanying terminological confusion will also allow for harmonised terminology will, in my opinion, be dependent on a harmonisation of pension systems. This seems unlikely today as pension schemes fall within the competence of the member states in accordance with the principle of subsidiarity.

Nevertheless, pension schemes are continuously reformed and modelled on the schemes of neighbouring countries. In the international context, a shift is taking place from defined benefit to defined contribution pension schemes as concerns about the adequacy of pension funds for financing pensions are growing. Guided by similar concerns, reforms of pension schemes naturally follow the same pattern. For instance, in Sweden there was a total reform of the pension scheme some years ago in the context of which personal pension accounts operating on a defined contribution basis were introduced. And recently a study on the merits of introducing personal pension accounts in Finland was published. These developments would indicate that although pensions are the responsibility of the member states, different constraints placed by the EU in their field of competence encourage member states to implement similar reforms in sectors not governed by the statutes of the EU, including pensions and pension financing. This means that pension schemes are converging in terms of regulations at the same time as they continue to be an integrated part of the national financial system. Further studies into pensions terminology therefore need to concentrate on the methods of financing retirement provision.

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